



Journal of the House

State of Indiana

112th General Assembly

Second Regular Session

Twenty-first Meeting Day

Tuesday Morning

February 19, 2002

The House convened at 10:00 a.m. with the Speaker in the Chair.

The invocation was offered by Pastor Larry Hanson, County Line Brethren Church, Lakeville, the guest of Representative Richard W. Mangus.

The Pledge of Allegiance to the Flag was led by Representative Mangus.

The Speaker ordered the roll of the House to be called:

T. Adams ☐	Hoffman
Aguilera	Kersey
Alderman	Klinker
Atterholt	Kromkowski ☐
Avery	Kruse
Ayres	Kruzan
Bardon	Kuzman
Bauer	Lawson
Becker	Leuck
Behning ☐	Liggett
Bischoff	J. Lutz
Bodiker	Lytle
Borror	Mahern
Bosma	Mangus
Bottorff	McClain
C. Brown	Mock ☐
T. Brown	Moses
Buck	Munson
Budak	Murphy
Buell	Noe
Burton	Oxley
Cheney	Pelath ☐
Cherry	Pond
Cochran	Porter ☐
Cook	Reske
Crawford	Richardson
Crooks	Ripley
Crosby	Robertson
Day	Ruppel ☐
Denbo	Saunders
Dickinson	Scholer
Dillon	M. Smith
Dobis	V. Smith
Dumezich	Steele ☐
Duncan	Stevenson
Dvorak ☐	Stilwell
Espich	Sturtz
Foley	Summers
Frenz	Thompson
Friend	Tincher
Frizzell	Torr
Fry	Turner
GiaQuinta	Ulmer
Goodin	Weinzapfel
Grubb	Welch
Harris ☐	Whetstone
Hasler	Wolkins
Herndon	D. Young
Herrell	Yount ☐
Hinkle	Mr. Speaker

Roll Call 185: 89 present; 11 excused. The Speaker announced a quorum in attendance. [NOTE: ☐ indicates those who were excused.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Thursday, February 21, 2002, at 10:00 a.m.

KUZMAN

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 21, 22, and 31 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolution 23 and the same is herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolution 22 and the same is herewith transmitted to the House for further action.

MARY C. MENDEL
Principal Secretary of the Senate

Pursuant to House Rule 60, committee meetings were announced.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 1:00 p.m. with the Speaker in the Chair.

Representatives Behning, Dvorak, Harris, Pelath, and Yount were present.

RESOLUTIONS ON FIRST READING

The Speaker yielded the gavel to the Speaker Pro Tempore Emeritus, Representative Bischoff.

House Concurrent Resolution 35

Representative Foley introduced House Concurrent Resolution 35:

A CONCURRENT RESOLUTION honoring the Martinsville High School cheerleading squad for its victory in the 2001 Indiana state cheerleading championship.

Whereas, On November 3, 2001, at Ben Davis High School, Indianapolis, Indiana, the Martinsville High School cheerleading squad became the 2001 Indiana state cheerleading champions by defeating ten other high school cheerleading squads;

Whereas, The Martinsville High School cheerleading squad is made up of varsity and junior varsity cheerleaders and stunt men;

Whereas, The 21 member squad has an 11 month season that includes competitions, camps, clinics, and cheering at football and girls' and boys' basketball games;

Whereas, Just as in any athletic endeavor, the members of the Martinsville High School cheerleading squad work tirelessly to maintain their level of excellence;

Whereas, The members of the squad credit their success to "nonstop fun, attitude, determination, a high energy routine, and teamwork"; and

Whereas, It is fitting and proper that excellence should be rewarded with special recognition: Therefore,

*Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana,
the Senate concurring:*

SECTION 1. That the Indiana General Assembly wishes to congratulate the members of the Martinsville High School cheerleading squad for their victory in the 2001 state cheerleading championship and urge them to continue to maintain this high level of excellence in all future endeavors.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the 21 members of the Martinsville High School cheerleading squad; coach Tricia Anderson; principal Don Alkire; assistant principals Eric Bowlen, Jill Keller, and Randy Taylor; athletic director Don Lipps; and the superintendent of the school corporation.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Bray.

House Concurrent Resolution 36

Representative Foley introduced House Concurrent Resolution 36:

A CONCURRENT RESOLUTION congratulating the Martinsville High School Academic Decathlon Team, Martinsville, Indiana, for winning the state championship for the large school division in the Hoosier Academic Decathlon state championship.

Whereas, The Martinsville High School Academic Decathlon Team won the state championship in the large school division at Southport High School, Southport, Indiana;

Whereas, This victory marks the fifth consecutive year that the Martinsville High School team has won the title;

Whereas, The Martinsville team will represent the state at the national competition in Phoenix, Arizona, in April, 2002;

Whereas, The Martinsville High School Academic Decathlon Team scored 40,368 points en route to the championship, edging out the second place team by 245 points;

Whereas, The contestants in the Academic Decathlon are tested in seven categories: language/literature, music, science, art, math, economics, and superquiz;

Whereas, Coach Wayne Babbitt emphasized that, even though individuals have accomplished great things, the championship was a total team effort;

Whereas, Coach Babbitt also stressed that, in addition to the honor of winning, the value of the Academic Decathlon is that it prepares the participants for college and later life by emphasizing good study skills and learning new subjects; and

Whereas, The state title is a continuation of the long line of successes achieved by Martinsville High School academic teams since the 1990-1991 school year: Therefore,

*Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana,
the Senate concurring:*

SECTION 1. That the Indiana House of Representatives wishes to congratulate the Martinsville High School Academic Decathlon Team for winning the state championship for the large school division in the Hoosier Academic Decathlon state championship for the fifth consecutive year and to wish the team members continued

success in all their future endeavors.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to team members Kellie Packwood, Jeff Hamilton, Samantha Deckard, Scott Salmon, John Pencek, Ross Hubbard, and Bryan Sims, Coach Wayne Babbitt, and the principal of Martinsville High School.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Bray.

House Concurrent Resolution 37

Representative Bauer introduced House Concurrent Resolution 37:

A CONCURRENT RESOLUTION honoring Kurran Strunk on her selection as the 2001 Indiana Teacher of the Year.

Whereas, The Indiana Department of Education conducts a special program to recognize the most exceptional classroom teacher in the state of Indiana;

Whereas, In accordance with National Teacher of the Year guidelines, one person is chosen annually to represent Indiana's 60,000 public school teachers and numerous nonpublic school teachers at the national level;

Whereas, Kurran Strunk is that teacher for 2001;

Whereas, The announcement of Kurran Strunk's selection as 2001 Indiana Teacher of the Year was made at a surprise ceremony at Muessel Elementary School, South Bend, Indiana, where she has taught emotionally handicapped, learning disabled, and mildly mentally handicapped children for seven years;

Whereas, Kurran Strunk was nominated for Indiana Teacher of the Year by Dr. Virginia Calvin, former South Bend Community School Corporation superintendent, who described Kurran as "one of those special individuals who truly are called to teach";

Whereas, Before being named the Indiana Teacher of the Year, Kurran Strunk was twice selected as Muessel's Teacher of the Year and was chosen as the South Bend Community School Corporation's Teacher of the Year;

Whereas, Kurran Strunk had originally wanted to be the first woman president of the United States, but her goal changed when she became aware of a special education class in the fourth grade at St. Bavo Catholic School in Mishawaka, Indiana;

Whereas, Kurran Strunk graduated magna cum laude from Indiana State University and received her master's degree from Indiana University-South Bend;

Whereas, In addition to her teaching duties, Kurran Strunk sponsors the school cheerleaders, works with the United Way Youth United Penny Campaign, serves as a camp counselor for a special needs zoo camp, conducts staff development workshops, and serves as a facilitator for school inservice programs; and

Whereas, An exemplary teacher, Kurran Strunk represents the best of the teaching profession with her positive contributions, compassion, and enthusiasm, which are needed in the teaching profession today if our children are to succeed in the future: Therefore,

*Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana,
the Senate concurring:*

SECTION 1. That the Indiana General Assembly wishes to congratulate Kurran Strunk on her selection as the 2001 Indiana Teacher of the Year, to commend her on a job well done, and to wish her continued success in her future endeavors.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Kurran Strunk and her family and to Carol Levee, principal of Muessel Elementary School.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Broden.

House Concurrent Resolution 38

Representatives Ayres, Cheney, and C. Brown introduced House Concurrent Resolution 38:

A CONCURRENT RESOLUTION honoring radio station WDSO, Chesterton High School, Chesterton, Indiana, on the occasion of its 25th anniversary in broadcasting.

Whereas, WDSO-FM is a student run radio station located at Chesterton High School in Chesterton, Indiana, that has provided the Duneland community with daily programming and special sports and news broadcasts since November 1976;

Whereas, The station is a noncommercial, educational radio station owned by the Duneland School Corporation and operated by Chesterton High School students enrolled in broadcasting classes;

Whereas, The idea for the station was suggested by Greg Odle, a Chesterton High School graduate;

Whereas, In 1976, Dr. Karl H. Speckhard was superintendent of the Duneland Schools and William Crockett was principal of Chesterton High School. Jim Cavallo, Chesterton High School English teacher, was the first station manager, who, along with John Corso, Duneland School audiovisual coordinator, and Dan Beckley, Chesterton High School audiovisual coordinator, were responsible for preparing the station to go on the air. Community member Thomas Smith was the first FCC licensed operator;

Whereas, The original station broadcast at ten watts and was located at FM 89.1 on the radio dial before a power increase in 1985 when it relocated to FM 88.3, where it continues broadcasting at 400 watts to approximately 150,000 residents in the Duneland area;

Whereas, WDSO would like to acknowledge that since 1976, Anton Insurance Agency, the Chesterton Tribune, First State Bank of Porter, and the John W. Anderson Foundation have supported the station's programming through yearly donations, and the First National Bank of Valparaiso, Chesterton Branch, has contributed to the station continuously since 1978; and

Whereas, WDSO has provided a training ground for high school students interested in broadcasting and has served the Duneland School Corporation as well as the Duneland community: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly would like to recognize WDSO on the occasion of its 25th anniversary of broadcasting in the Duneland area on February 12, 2002.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to H. Stephen Hewlett, superintendent of the Duneland Schools; Janice Bergeson, principal of Chesterton High School; Brent Barber, WDSO station manager; Michele Stipanovich, WDSO operations manager; and the 2001-2002 WDSO staff members, Danny Nicoletto (program director), Andrew Szafarczyk (music director), Joe Van Dyk (sports director), Greg Duda (news director), Ed Barriball (training director), and Josh Michaels (promotions director).

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Antich and Alexa.

House Concurrent Resolution 39

Representative Scholer introduced House Concurrent Resolution 39:

A CONCURRENT RESOLUTION honoring Jessica Gall of West Lafayette Senior High School for her academic and athletic achievements and community involvement.

Whereas, Jessica has been named West Lafayette Cross Country MVP, Cross Country IHSAA All-State, Cross Country IHSAA State Champion, Cross Country Footlocker National Finalist, and Cross Country Junior Olympic All-American;

Whereas, Jessica has been honored with the IHSAA Girls Cross Country Mental Attitude Award, the Benton Central Sportsmanship

Award, and the West Lafayette Cross Country Team Mental Attitude Award;

Whereas, Jessica has demonstrated success in her academic career by being selected as a member of Hoosier Girls State and by being chosen by her peers to the Hoosier Girls State Speaker of the House, as well as serving as Co-President of the National Honor Society;

Whereas, Jessica is a true leader in her school where she has served as Student Council Chairman, Class President for two years, and West Lafayette Youth Council Chairman;

Whereas, Jessica is a committed member of her community through her involvement in the Junior American Legion Auxiliary, the Students Against Drunk Driving Club, and the West Side Service Organization;

Whereas, Jessica is an outstanding role model who leads by example; and

Whereas, Jessica is both a talented athlete and gifted scholar who will continue to succeed in all areas of her life: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly recognizes Jessica Gall for her academic and athletic achievements as well as her community involvement.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Jessica Gall.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Alting.

The Speaker Pro Tempore Emeritus yielded the gavel to the Speaker.

House Concurrent Resolution 40

Representative Thompson introduced House Concurrent Resolution 40:

A CONCURRENT RESOLUTION honoring the Tri-West Junior-Senior High School, Lizton, Indiana, Academic Decathlon team.

Whereas, The Tri-West Junior-Senior High School Academic Decathlon team recently won the Indiana Academic Decathlon state championship in the small school division for the tenth time, nine of which were consecutive;

Whereas, The Academic Decathlon team will be competing for the fifth time in the national finals in Phoenix, Arizona, in April;

Whereas, Of the ten small school championships won by Tri-West Junior-Senior High School, three have been All-School State Championships;

Whereas, An Academic Decathlon team consists of honor students, scholastic students, and varsity students;

Whereas, Honors students must have a grade point average ranging from 3.75 to 4.00, scholastic students' GPA must range from 3.00 to 3.74, and varsity students can have a GPA less than 3.0, and students can participate in a higher division than they are qualified for but not in a lower division;

Whereas, Competitors are required to prepare for ten academic events: art, economics, essay, interview, language and literature, mathematics, science, social science, speech, and super quiz;

Whereas, The Academic Decathlon does not permit students to specialize in one particular area but encourages academic versatility by requiring participants to prepare for all ten events, stressing educational opportunity, intellectual experiences, and academic excellence;

Whereas, The Tri-West team received the following individual awards: Honors Division: Erin Duley, second place in interviews, second place in art, third place in music, third place in literature,

first place in economics; Amber Frost, first place in speech, second place in music; Elizabeth Lemmon, third place in music; Scholastic Division: Adam Love, second place in science, second place in math, first place in art, first place in music, first place in literature, first place in economics; Brianna Goodnight, first place in interviews, second place in speech, third place in science, third place in art, second place in economics; Overall Honors: Erin Duley, third place in the Honors Division; Adam Love, first place in the Scholastic Division; Brianna Goodnight, third place in the Scholastic Division;

Whereas, The following team plaques were awarded to the Tri-West Junior-Senior High School team: literature, first place; speech, first place; economics, first place; science, first place; art, second place; music, second place; interview, second place; oral super quiz, second place; and super quiz, second place;

Whereas, Although team members put forth a tremendous effort in the preparation for this event, they still need a little help from their friends, including coaches, students, parents, and other supporters; and

Whereas, Excellence in academics speaks well for the educational system in Indiana, and the Tri-West Junior-Senior High School Academic Decathlon team is one of the finest examples we have: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly wishes to congratulate the Tri-West Junior-Senior Academic Decathlon members for this victory in the small school division of the Academic Decathlon and wish them well in April in the National Finals. The Indiana General Assembly also encourages these fine students to continue to strive for excellence in this same fashion throughout their lives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to team members Elizabeth Lemmon, Erin Duley, Amber Frost, Adam Love, Brianna Goodnight, Tommijo Loudermilk, and Diana Retz, coaches Brad Gillum, Tim Kern, Marge Emmert, Tom Clark, and Eileen Lurker, and principal Ronald Ward.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators C. Lawson and Harrison.

House Concurrent Resolution 41

Representatives Grubb, T. Brown, and Friend introduced House Concurrent Resolution 41:

A CONCURRENT RESOLUTION honoring Indiana Farmers Mutual Insurance Company on the occasion of the company's 125th year in business.

Whereas, In August 1877, a small group of well respected Montgomery County farmers met in Crawfordsville, Indiana, to form an organization that would assist in sharing one another's misfortunes in the event of fire loss;

Whereas, The organization those farmers formed is today known as the Indiana Farmers Mutual Insurance Company;

Whereas, Indiana Farmers Mutual Insurance Company began writing only farm property insurance as a farm mutual;

Whereas, In 1968, Indiana Farmers Mutual Insurance Company elected to operate under the Indiana insurance code and began insuring farm and non-farm property against fire and casualty risks;

Whereas, Indiana Farmers Mutual Insurance Company now provides coverage for personal autos, homeowners, farm owners, and commercial insurance;

Whereas, An insurance company that once delivered policies in a horse-drawn buggy, Indiana Farmers Mutual Insurance Company now has 170 employees who work with over 80,000 policyholders;

Whereas, For the past 125 years, Indiana Farmers Mutual Insurance Company has consistently strived to meet its goal of being

the best and most reliable insurance group in Indiana;

Whereas, Indiana Farmers Mutual Insurance Company maintains an excellent rating from A.M. Best Company, the company that reports on the financial condition of insurance companies;

Whereas, In 2000, Indiana Farmers Mutual Insurance Company became the only insurance company to receive Company of the Year designations from the Professional Insurance Agents Association of Indiana and the Independent Insurance Agents of Indiana;

Whereas, Indiana Farmers Mutual Insurance Company was also named the Insurance Institute of Indiana's Grassroots Network Company of the Year;

Whereas, Distinguished founders of Indiana Farmers Mutual Insurance Company include James Mount and William J. Miles;

Whereas, The vision for Indiana Farmers Mutual Insurance Company stated by Mr. Miles at the company's 50th annual meeting in 1927, "it has always been the aim of the company to keep up with the times," is still reflected in the company's current executive statement of "adherence to our 19th century values while employing 21st century technology"; and

Whereas, Indiana Farmers Mutual Insurance Company is proud to have delivered "Performance in Time of Adversity Since 1877": Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly wishes to congratulate and thank Indiana Farmers Mutual Insurance Company for 125 years of service and security to many Hoosier citizens.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Daniel E. Stone, president and chief executive officer of the Indiana Farmers Mutual Insurance Company.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Paul.

House Concurrent Resolution 42

Representatives Hasler, Tinscher, Becker, Avery, Weinzapfel, Denbo, Porter, C. Brown, Summers, Dickinson, Harris, V. Smith, and Crawford introduced House Concurrent Resolution 42:

A CONCURRENT RESOLUTION honoring Allison Hatcher for her selection as Miss Indiana and her many contributions to the state of Indiana and its citizens.

Whereas, Allison Hatcher was chosen the 2001 Miss Indiana 2001;

Whereas, In her capacity as Miss Indiana, Allison Hatcher represented Indiana in the Miss American pageant, where she finished in the top 10;

Whereas, Allison Hatcher is a graduate of Middle Tennessee State University, Murfreesboro, Tennessee, where she earned a bachelor's degree in broadcast journalism;

Whereas, In addition to beauty, Allison Hatcher has displayed exceptional intelligence, winning the Middle Tennessee State University Music Scholarship and the Leadership Performance Scholarship;

Whereas, In the future, Allison Hatcher would like to pursue a master's degree in broadcast journalism and music;

Whereas, For the past year and four months, Allison Hatcher has been employed by Channel 25 in Evansville, Indiana, as a news reporter;

Whereas, Allison Hatcher is now on leave of absence from her news job to tour Indiana on behalf of the Department of Education, speaking to school children about the value of a good education;

Whereas, In addition to her speaking duties, Allison Hatcher volunteers with the Boys and Girls Club of Evansville, Caze Elementary School Music and Education Lab, Lidz-N-Kidz Day Care

Center, acts as celebrity spokesperson for Warrick Clowns, and serves as Children's Choir director at the Simeon Baptist Church; and

Whereas, Beauty and compassion such as that displayed by Allison Hatcher should not go unnoticed: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly wishes to express its congratulations to Allison Hatcher for her selection as Miss Indiana and to thank her for all her contributions to the state of Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Allison Hatcher.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators L. Lutz and Server.

House Concurrent Resolution 43

Representatives V. Smith, Dillon, Bosma, Mahern, Kuzman, Dickinson, C. Brown, Crawford, Summers, Harris, and Porter introduced House Concurrent Resolution 43:

A CONCURRENT RESOLUTION urging the establishment of an interim study committee to investigate possible trafficking in tobacco and other contraband within the prison system of the department of correction.

Whereas, The mission of the department of correction is to protect the public by incarcerating offenders and complying with established mandates in preparing them for reentry into the community; and

Whereas, It is vital that the department of correction carry out its mission to the best of its ability and protect the rights of the prisoners: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the legislative council is urged to establish an interim committee to investigate possible trafficking in tobacco and other contraband within the prison system of the department of correction.

SECTION 2. That the committee, if established, shall, under IC 2-4-1-1, have the power to subpoena witnesses and send for and compel the production of books, records, papers, and documents.

SECTION 3. That the committee, if established, shall operate under the direction of the legislative council and that the committee shall issue a final report when directed to do so by the council.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Rogers, Breaux, and S. Smith.

House Concurrent Resolution 44

Representatives Alderman and Sturtz introduced House Concurrent Resolution 44:

A CONCURRENT RESOLUTION urging the establishment of an interim study committee on state sales tax exemptions on recycled products.

Whereas, Recycling is an important issue in the protection of our environment for future generations;

Whereas, Recycling plays an important role in managing the refuse generated in homes and businesses and reduces the need for landfills and incinerators;

Whereas, Supplying industry with recycled materials is environmentally preferable because it saves energy, reduces emissions of greenhouse gases and other dangerous air and water pollutants, and conserves our dwindling natural resources; and

Whereas, It behooves the state of Indiana to encourage recycling in any way possible: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the legislative council is urged to establish a commission to study state sales tax exemptions on recycled products.

SECTION 2. That the committee, if established, shall operate under the direction of the legislative council and that the committee shall issue a final report when directed to do so by the council.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator R. Meeks.

House Concurrent Resolution 45

Representatives Frizzell, Foley, and Burton introduced House Concurrent Resolution 45:

A CONCURRENT RESOLUTION congratulating the Center Grove High School boys tennis team for winning the 2001 Indiana High School Athletic Association boys tennis state championship.

Whereas, On Saturday, October 13, 2001, at the Indianapolis Racquet Club East, the Center Grove High School, Greenwood, Indiana, boys tennis team won the 2001 Indiana High School Athletic Association (IHSAA) boys tennis state championship;

Whereas, After two state runner-up finishes in the last five years, the top ranked Trojans, with a record of 24-0, snatched early victories at No. 2 and No. 3 singles and ensured the title at No. 1 doubles with a victory over rival Terre Haute North High School;

Whereas, With the victory, Center Grove claimed its first team championship in a boys sport;

Whereas, Much of the team's success can be attributed to the efforts of 25 year head coach Ivan Smith who helped to motivate and encourage team members to aim high and to work to reach those goals; and

Whereas, Excellence in the field of athletics deserves special recognition by the citizens of the state of Indiana: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly wishes to congratulate the members of the Center Grove High School boys tennis team for winning the 2001 IHSAA boys tennis state championship and to wish them continued success in their future endeavors both on and off the tennis court.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to head coach Ivan Smith, the team members, athletic director Jon Zwiitt, the Center Grove High School principal, and the superintendent of the Center Grove School Corporation.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator M. Young.

House Resolution 18

Representatives Stilwell, Hinkle, Becker, and Oxley introduced House Resolution 18:

A HOUSE RESOLUTION urging the Indiana Department of Transportation to rename that part of State Road 162 in Spencer County from U.S. Highway 231 in Gentryville, Indiana, to Interstate Highway 64 in honor of Mr. William A. Koch.

Whereas, William Albert Koch died September 17, 2001, after a lifetime of service to his state and community through a myriad of community projects, business ventures, and volunteer work that benefitted Hoosiers in Spencer County and Indiana;

Whereas, William A. Koch was born in Evansville, Indiana, in 1915 to Louis J. and Clarice A. Koch;

Whereas, William A. Koch was a 1932 graduate of Reitz High School, Evansville, Indiana, a 1937 graduate of Purdue University, West Lafayette, Indiana, and a U.S. Navy veteran of World War II;

Whereas, William A. Koch was instrumental in the planning, development, and success of Holiday World, Splashin' Safari, and the town of Santa Claus, Indiana;

Whereas, With the guidance of William A. Koch, Holiday World, Splashin' Safari, and the town of Santa Claus went from being the first theme park and a quaint children's park into a major attraction that hosts more than 500,000 visitors each year, and the developments transformed a hamlet into a world renowned town called Santa Claus where the real Santa Claus lives;

Whereas, William A. Koch built Christmas Lake Village, a gated community with a town hall, a medical center, a bank, and numerous other attractions, that grew from 37 residents to nearly 3,000;

Whereas, William A. Koch was always humble about his accomplishments, including being present when President John Kennedy signed legislation that created the Lincoln Boyhood National Memorial in Lincoln City, Indiana, persuading the federal government to reroute Interstate Highway 64 so it would run through extreme southern Indiana, and the expansion of U.S. Highway 231 through Spencer County;

Whereas, William A. Koch played a major role in the development of the Lincoln Boyhood National Memorial;

Whereas, William A. Koch was involved in the early planning through the final design phase of ensuring that U.S. Highway 231 in Spencer County became a reality;

Whereas, Through his initiatives with the U.S. 231 Coalition, William A. Koch was instrumental in the establishment of a new four lane U.S. Highway 231 (Abraham Lincoln Parkway) in Spencer County, which is now entering the construction phase;

Whereas, The story of William A. Koch includes the tale of the world's first theme park in Santa Claus, Indiana, a small park that evolved into a nationally recognized theme park where children came to sit on Santa's knee;

Whereas, Guests to this theme park have included Ronald Reagan and other nationally recognized leaders;

Whereas, The naming of that section of State Road 162 in Spencer County from its intersection with the Abraham Lincoln Parkway (U.S. Highway 231) to Interstate Highway 64 in honor of William A. Koch would be a fitting memorial and tribute to the tireless efforts and community service William Koch performed, benefitting the residents of Spencer County and southern Indiana; and

Whereas, The contributions of William A. Koch, a lifelong resident of Spencer County, have greatly improved the lives of the citizens of the county and Indiana and have offered so much to Spencer County, where his legacy is the town of Santa Claus, Holiday World and Splashin' Safari, and his beloved family: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives urges the Indiana Department of Transportation to rename that part of State Road 162 in Spencer County from U.S. Highway 231 in Gentryville, Indiana, to Interstate Highway 64 in honor of William A. Koch.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to Patricia Yellig Koch, his wife of 40 years, and their five children—Will and Philip Koch of Santa Claus, Indiana, Daniel Koch of Miami, Florida, Dr. Kristi Koch of Indianapolis, Indiana, and Natalie Koch of West Lafayette, Indiana—and the commissioner of the Indiana Department of Transportation.

The resolution was read a first time and adopted by voice vote.

House Resolution 19

Representative Dickinson introduced House Resolution 19:

A HOUSE RESOLUTION honoring the members of the Arlington High School Golden Knights, Indianapolis, Indiana, varsity basketball team and cheerleading squad on their victory in the 2001-2002 Indianapolis City Tournament.

Whereas, The Arlington High School Golden Knights are the

2001-2002 Indianapolis City Tournament champions;

Whereas, Team members Marcus Minor, Jamar Thomas, Deonta Vaughn, Jason Blair, Antwan Alexander, Johnny Stevenson, Brandon Sherrell, Russell Peterson, Jeremy Gilbert, David Squires, Jason Bell, and Delco Rowley attained their positions through hard work, talent, and discipline;

Whereas, In addition to athletic ability, Russell Peterson, David Squires, and Delco Rowley are honor roll student athletes;

Whereas, The Arlington High School Golden Knights varsity cheerleading team, made up of Shanda Smith, Teela Davis, Tiaya Porter, Kendra Golden, Teria Johnson, Micasha Young, Ambria Young, and Lynelle Eldridge, through dedication and hard work, provided the spirit and encouragement so necessary to the success of any athletic endeavor;

Whereas, The talent and efforts of the student members of the Golden Knights, along with the hard work, inspiration, and organization of the adult staff and volunteers, have produced outstanding achievements throughout the basketball season, including a 13-5 record;

Whereas, The remarkable achievements of this season's basketball squad are also due to the inspired leadership of the coaching staff, led by head coach Larry Nicks and assistant coaches Brad Goffinet and Robby Phillips; and

Whereas, Outstanding achievements, whether they be in the classroom or on the athletic field, deserve special recognition: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives wishes to congratulate the Arlington High School Golden Knights, the varsity cheerleading squad, the coaches and teachers, and the volunteers and parents on an electrifying season that will inspire the athletes to continue to work hard and practice the disciplinary techniques they learned this season throughout their lives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the members of the Arlington High School varsity basketball team, the members of the cheerleading squad, head coach Larry Nicks, assistant coaches Brad Goffinet and Robby Phillips, managers Lakenya Bridgewater, Latrice Black, Felicia Borroughs, and Erica Johnson, trainer Sue Hayes, assistant trainers William Fulton, Stefanie Byerly, and Valerie Hamilton, principal Jacqueline S. Greenwood, and vice principals Sandy Fields, Robert Huggins, and Dan Mathis.

The resolution was read a first time and adopted by voice vote.

House Resolution 20

Representatives Cheney, Kuzman, Pelath, C. Brown, Mahern, Welch, Ayres, and Budak introduced House Resolution 20:

A HOUSE RESOLUTION congratulating Kristy Siminski on her first place finish in the 100-meter and 200-meter freestyle events at the 2002 Indiana High School Athletic Association Girls Swimming and Diving State Championships.

Whereas, On Saturday, February 9, 2002, at the Indiana University Natatorium, Kristy Siminski became the first swimmer in the history of Portage High School, Portage, Indiana, to win an Indiana High School Athletic Association Girls Swimming and Diving State Championships final event;

Whereas, Kristy Siminski not only won one event, she won two: the 100-meter and 200-meter freestyle events;

Whereas, Kristy finished the 200-meter freestyle event in 1:48.35, less than three-tenths of a second off the state record of 1:48.08 set by Olympic gold medal winner Lindsay Benko of Elkhart Central High School;

Whereas, Kristy's winning time in the 100-meter freestyle event was 0:50.22, beating her nearest competitor by nearly a second;

Whereas, In addition to her swimming victories, Kristy, who ranks ninth in her class of 533, was named the Mental Attitude Award

winner for the 2002 swimming championships;

Whereas, In the stands to cheer her on were Kristy's mother, father, and three sisters, all of whom were Portage swimmers at one time; and

Whereas, Athletic competition helps to improve the minds and spirits of Indiana's young people. When an athlete such as Kristy Siminski reaches such lofty peaks of excellence, it is proper and fitting that special recognition be given to her: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives wishes to congratulate Kristy Siminski on her victory in the 100-meter and 200-meter freestyle events in the 2002 Indiana High School Athletic Association Girls Swimming and Diving State Championships and to wish her well in her swimming and academic career at the University of Texas.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Kristy Siminski, her parents Bill and Paula, her sisters Katie, Becky, and Jenny, coach Tim Somers, assistant coach Ralph Mundt, and principal Richard Kirchner.

The resolution was read a first time and adopted by voice vote.

House Resolution 21

Representative Scholer introduced House Resolution 21:

A HOUSE RESOLUTION to honor those who participated in the Prostate Awareness Week this past September and to recognize their commitment to eradicating cancer.

Whereas, Prostate Cancer Awareness Week was started in 1989 to promote men's health and offer screenings at minimal cost;

Whereas, Nationally, an estimated 198,100 new cases of prostate cancer were diagnosed;

Whereas, Nationally, an estimated 31,500 men perished;

Whereas, This past year in Indiana, 700 men died of prostate cancer;

Whereas, African-American males have the highest prostate cancer incidence rate in the world;

Whereas, The prostate incidence rate is roughly 60% higher in African-American men than in white men; and,

Whereas, As the members of the community and the people behind this effort gather to celebrate this event, we are proud to add our voice to praise everyone who has worked to make this event so successful: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana General Assembly recognize Prostate Cancer Prevention Day. May the screening rates increase and prostate cancer education become readily accessible.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the volunteers and participants as a token of our esteem.

The resolution was read a first time and adopted by voice vote.

House Resolution 22

Representative Stilwell introduced House Resolution 22:

A HOUSE RESOLUTION urging the Legislative Council to assign to the Criminal Law Study Committee the review of Indiana's repeat offender laws regarding probation and to urge that committee to make recommendations for revisions to the criminal code that would assist in keeping multiple repeat offenders from preying upon our communities and citizens.

Whereas, In light of the murder of Stacy Payne on July 11, 2001, in Dale, Indiana, a need to review Indiana's probation and repeat offender laws has arisen;

Whereas, Stacy Payne was a 15 year old Spencer County honor student, cheerleader, and exceptional young lady from a rural home

environment who was tragically murdered in her own home because our system of probation for repeat offenders failed;

Whereas, In response to this horrible tragedy, Melissa Payne, Stacy's 14 year old sister, has gathered the strength and determination to ensure that the laws that failed her sister are held up to examination and revision;

Whereas, Certain repeat violations could result in a pattern of behavior for violent crime that could adversely affect Hoosiers and their communities;

Whereas, According to the Indiana Criminal Justice Institute, a tragedy could occur through repeatedly giving criminals probation or suspended sentences after multiple convictions; and

Whereas, Family members of Stacy Payne and professional law enforcement officials who are working closely on the Stacy Payne murder case, including the Spencer County prosecuting attorney, should be afforded the opportunity to testify and be invited to take an active role in providing information to the Criminal Law Study Committee: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives urges the Legislative Council to assign to the Criminal Law Study Committee the review of repeat offender laws regarding probation in Indiana and urges that committee to make recommendations for revisions to the criminal code that would assist in keeping multiple repeat offenders from preying upon our communities and citizens.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the Criminal Law Study Committee members, other 2002 legislative committees that address these issues, the Spencer County prosecuting attorney, and Melissa Payne.

The resolution was read a first time and adopted by voice vote.

House Resolution 23

Representative Bischoff introduced House Resolution 23:

A HOUSE RESOLUTION congratulating Katherine Robinson, South Dearborn High School, Aurora, Indiana, on her first place finish in the 100 yard butterfly and 50 yard freestyle events in the 2002 Indiana High School Athletic Association's girls swimming and diving state championship.

Whereas, On February 9, 2002, at the Indiana University Natatorium, Indianapolis, Indiana, Katherine Robinson swam her way into the history books by finishing first in the 100 yard butterfly and 50 yard freestyle events of the 2002 Indiana High School Athletic Association girls swimming and diving state championship;

Whereas, Katherine established a new record time of 54.67 in the 100 yard butterfly event, breaking the record time of 55.23 that she set in 2001;

Whereas, This victory marks the fourth state title for Katherine; and

Whereas, Accomplishments such as these require special recognition: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives wishes to congratulate Katherine Robinson on her first place finish in the 100 yard butterfly and 50 yard freestyle events in the 2002 girls swimming and diving state championship.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Katherine Robinson and her family, head coach Shelby Jones, assistant coaches Christy Ashurst and Suzanne Townes, principal David Kling, associate principal Rob Moorhead, and activities and athletic director Foster Harris.

The resolution was read a first time and adopted by voice vote.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Engrossed Senate Bill 153, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

CROOKS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Engrossed Senate Bill 276, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 27-2-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 21. Credit Information in Property and Casualty Insurance

Sec. 1. As used in this chapter, "applicant" means an individual who applies for a policy of property and casualty insurance.

Sec. 2. As used in this chapter, "claim loss" means a claim paid under a policy of property and casualty insurance, including a claim for:

- (1) bodily injury;
- (2) property damage;
- (3) medical payments;
- (4) collision coverage;
- (5) comprehensive coverage;
- (6) car rental coverage; or
- (7) towing coverage.

Sec. 3. As used in this chapter, "commissioner" refers to the commissioner of the department.

Sec. 4. As used in this chapter, "credit information" means credit related information obtained through a review of a credit history, credit report, or credit score, or on an application for a policy of property and casualty insurance.

Sec. 5. As used in this chapter, "credit score" means a number or rating derived through a credit scoring methodology.

Sec. 6. As used in this chapter, "credit scoring methodology" means the particular algorithm, computer model, or other method used by an insurer to reduce to a numerical or other rating for use in the insurance underwriting process certain credit history data contained in an individual's credit report.

Sec. 7. As used in this chapter, "department" refers to the department of insurance created under IC 27-1-1-1.

Sec. 8. As used in this chapter, "insured" means an individual who is entitled to coverage under a policy of property and casualty insurance.

Sec. 9. As used in this chapter, "insurer" means a person that:

- (1) is described in IC 27-1-2-3(x); and
- (2) issues a policy of property and casualty insurance.

Sec. 10. As used in this chapter, "property and casualty insurance" means one (1) or more of the kinds of insurance described in Class 2 and Class 3 of IC 27-1-5-1.

Sec. 11. (a) This chapter applies to an individual policy of property and casualty insurance.

(b) This chapter does not apply to a commercial line of insurance.

Sec. 12. (a) An insurer may not use a credit score until the insurer files with the commissioner the credit scoring methodology and changes to the credit scoring methodology that the insurer uses to develop the credit score.

(b) The commissioner shall review a credit scoring

methodology and changes to the credit scoring methodology filed under subsection (a) for compliance with Indiana insurance laws and rules.

Sec. 13. (a) An insurer may not, based solely on credit information, refuse to issue, refuse to renew, or cancel a policy of property and casualty insurance.

(b) An insurer does not violate subsection (a) if the insurer offers to provide continuous and identical coverage to an insured under a policy of property and casualty insurance underwritten:

- (1) by an affiliate of the insurer; and
- (2) in the same rating class.

Sec. 14. If the credit score of an insured or applicant is adversely impacted or cannot be generated because the credit history of the insured or applicant is insufficient, an insurer shall:

- (1) apply underwriting or rating criteria to the insured or applicant as if the insured or applicant had a neutral credit history, as defined in the insurer's underwriting guidelines or rate making standards unless otherwise actuarially justified; or
- (2) exclude the use of credit as a factor in the underwriting or rating process.

Sec. 15. An insurer may not, based on credit information, refuse to issue, refuse to renew, or cancel a policy of property and casualty insurance, or transfer an insured to an affiliate or to a different rating class if the insured has:

- (1) continuously maintained a policy of property and casualty insurance issued by the insurer;
- (2) had no claim loss on the policy specified in subdivision (1); and
- (3) had no moving traffic violations;

during the three (3) years immediately preceding the date on which the insurer makes a determination described in this section.

Sec. 16. (a) If credit information is used as a basis for a refusal to issue, refusal to renew, cancellation, or rating of a policy of property and casualty insurance, the insurer shall provide notice to the insured or applicant of the insurer's use of credit information as a basis for the refusal to issue, refusal to renew, cancellation, or rating of the policy of property and casualty insurance according to the federal Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).

(b) An insurer shall include in a notice required under subsection (a) notice that the insured or applicant has the right to, not more than ninety (90) days after the insured or applicant receives the notice required under subsection (a), request in writing from the insurer an explanation of the most significant reasons for the credit score result, including the principal factors involved in the refusal to issue, refusal to renew, cancellation, or rating of the policy of property and casualty insurance.

(c) Not more than twenty-one (21) business days after an insurer receives a request under subsection (b):

- (1) the insurer; or
- (2) a third party that:
 - (A) possesses the information necessary to provide an explanation requested under subsection (b); and
 - (B) is directed by the insurer to provide the requested explanation;

shall provide the requested explanation in writing to the insured or applicant.

(d) If an insurer, in the notice provided under subsection (a), provided the explanation requested under subsection (b), the insurer has met the requirement of subsection (c).

Sec. 17. (a) An insurer shall not use credit information as a pretext for discrimination against an insured or applicant that is based on the gender, race, nationality, or religion of the insured or applicant.

(b) A credit scoring methodology may not be used by an insurer if the credit scoring methodology incorporates the gender, race, nationality, or religion of an insured or applicant.

Sec. 18. Information provided by an insurer to the commissioner under this chapter is confidential.

Sec. 19. An insurance producer licensed under IC 27-1-15.6 is not liable in any action arising from the use of credit information by an insurer if the insurance producer complies with the insurer's procedures that are provided to the insurance producer by the insurer concerning the use of credit information.

Sec. 20. A willful violation of this chapter is an unfair and deceptive act and practice in the business of insurance under IC 27-4-1-4, as determined by the commissioner.

Sec. 21. This chapter is not intended to conflict with any disclosure provisions of state law or the federal Truth in Lending Act (15 U.S.C. 1601 et seq.).

SECTION 2. IC 27-2-21-16.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 2, 2004]: **Sec. 16.1. (a) This section applies to an insured or applicant to whom notice is provided under section 16 of this chapter.**

(b) This section supplements the federal Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).

(c) In addition to the explanation that an insurer must provide under section 16 of this chapter, an insurer shall, not more than twenty-one (21) business days after the insurer receives a request under section 16 of this chapter, provide in writing to the insured or applicant the requested explanation, and additional information involved in the refusal to issue, refusal to renew, cancellation, or rating of the policy of property and casualty insurance, including:

- (1) notice that a credit score was a determining factor in the insurer's decision;**
- (2) a thorough explanation of the credit scoring process used by the insurer;**
- (3) a list of all factors contained in the credit history of the insured or applicant that were used to derive a credit score that negatively affected the insurability of the insured or applicant; and**
- (4) an explanation of how the factors listed under subdivision (3) negatively affected the insurability of the insured or applicant.**

SECTION 3. IC 27-4-1-4, AS AMENDED BY P.L.132-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4. The following are hereby defined as unfair methods of competition and unfair and deceptive acts and practices in the business of insurance:**

- (1) Making, issuing, circulating, or causing to be made, issued, or circulated, any estimate, illustration, circular, or statement:**
 - (A) misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon;**
 - (B) making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies;**
 - (C) making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates;**
 - (D) using any name or title of any policy or class of policies misrepresenting the true nature thereof; or**
 - (E) making any misrepresentation to any policyholder insured in any company for the purpose of inducing or tending to induce such policyholder to lapse, forfeit, or surrender his insurance.**
- (2) Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to any person in the conduct of his insurance business, which is untrue, deceptive, or misleading.**
- (3) Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making,**

publishing, disseminating, or circulating of any oral or written statement or any pamphlet, circular, article, or literature which is false, or maliciously critical of or derogatory to the financial condition of an insurer, and which is calculated to injure any person engaged in the business of insurance.

(4) Entering into any agreement to commit, or individually or by a concerted action committing any act of boycott, coercion, or intimidation resulting or tending to result in unreasonable restraint of, or a monopoly in, the business of insurance.

(5) Filing with any supervisory or other public official, or making, publishing, disseminating, circulating, or delivering to any person, or placing before the public, or causing directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false statement of financial condition of an insurer with intent to deceive. Making any false entry in any book, report, or statement of any insurer with intent to deceive any agent or examiner lawfully appointed to examine into its condition or into any of its affairs, or any public official to which such insurer is required by law to report, or which has authority by law to examine into its condition or into any of its affairs, or, with like intent, willfully omitting to make a true entry of any material fact pertaining to the business of such insurer in any book, report, or statement of such insurer.

(6) Issuing or delivering or permitting agents, officers, or employees to issue or deliver, agency company stock or other capital stock, or benefit certificates or shares in any common law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance.

(7) Making or permitting any of the following:

(A) Unfair discrimination between individuals of the same class and equal expectation of life in the rates or assessments charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract; however, in determining the class, consideration may be given to the nature of the risk, plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(B) Unfair discrimination between individuals of the same class involving essentially the same hazards in the amount of premium, policy fees, assessments, or rates charged or made for any policy or contract of accident or health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever; however, in determining the class, consideration may be given to the nature of the risk, the plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(C) Excessive or inadequate charges for premiums, policy fees, assessments, or rates, or making or permitting any unfair discrimination between persons of the same class involving essentially the same hazards, in the amount of premiums, policy fees, assessments, or rates charged or made for:

- (i) policies or contracts of reinsurance or joint reinsurance, or abstract and title insurance;**
- (ii) policies or contracts of insurance against loss or damage to aircraft, or against liability arising out of the ownership, maintenance, or use of any aircraft, or of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance; or**
- (iii) policies or contracts of any other kind or kinds of insurance whatsoever.**

However, nothing contained in clause (C) shall be construed to apply to any of the kinds of insurance referred to in clauses (A) and (B) nor to reinsurance in relation to such kinds of insurance. Nothing in clause (A), (B), or (C) shall be construed as making or permitting any excessive, inadequate, or unfairly

discriminatory charge or rate or any charge or rate determined by the department or commissioner to meet the requirements of any other insurance rate regulatory law of this state.

(8) Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any contract or policy of insurance of any kind or kinds whatsoever, including but not in limitation, life annuities, or agreement as to such contract or policy other than as plainly expressed in such contract or policy issued thereon, or paying or allowing, or giving or offering to pay, allow, or give, directly or indirectly, as inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends, savings, or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract or policy; or giving, or selling, or purchasing or offering to give, sell, or purchase as inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, limited liability company, or partnership, or any dividends, savings, or profits accrued thereon, or anything of value whatsoever not specified in the contract. Nothing in this subdivision and subdivision (7) shall be construed as including within the definition of discrimination or rebates any of the following practices:

(A) Paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, so long as any such bonuses or abatement of premiums are fair and equitable to policyholders and for the best interests of the company and its policyholders.

(B) In the case of life insurance policies issued on the industrial debit plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expense.

(C) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, which may be made retroactive only for such policy year.

(D) Paying by an insurer or agent thereof duly licensed as such under the laws of this state of money, commission, or brokerage, or giving or allowing by an insurer or such licensed agent thereof anything of value, for or on account of the solicitation or negotiation of policies or other contracts of any kind or kinds, to a broker, agent, or solicitor duly licensed under the laws of this state, but such broker, agent, or solicitor receiving such consideration shall not pay, give, or allow credit for such consideration as received in whole or in part, directly or indirectly, to the insured by way of rebate.

(9) Requiring, as a condition precedent to loaning money upon the security of a mortgage upon real property, that the owner of the property to whom the money is to be loaned negotiate any policy of insurance covering such real property through a particular insurance agent or broker or brokers. However, this subdivision shall not prevent the exercise by any lender of its or his right to approve or disapprove of the insurance company selected by the borrower to underwrite the insurance.

(10) Entering into any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of commerce in the business of insurance.

(11) Monopolizing or attempting to monopolize or combining or conspiring with any other person or persons to monopolize any part of commerce in the business of insurance. However, participation as a member, director, or officer in the activities of any nonprofit organization of agents or other workers in the insurance business shall not be interpreted, in itself, to constitute a combination in restraint of trade or as combining to create a monopoly as provided in this subdivision and subdivision (10). The enumeration in this chapter of specific unfair methods of competition and unfair or deceptive acts and

practices in the business of insurance is not exclusive or restrictive or intended to limit the powers of the commissioner or department or of any court of review under section 8 of this chapter.

(12) Requiring as a condition precedent to the sale of real or personal property under any contract of sale, conditional sales contract, or other similar instrument or upon the security of a chattel mortgage, that the buyer of such property negotiate any policy of insurance covering such property through a particular insurance company, agent, or broker or brokers. However, this subdivision shall not prevent the exercise by any seller of such property or the one making a loan thereon, of his, her, or its right to approve or disapprove of the insurance company selected by the buyer to underwrite the insurance.

(13) Issuing, offering, or participating in a plan to issue or offer, any policy or certificate of insurance of any kind or character as an inducement to the purchase of any property, real, personal, or mixed, or services of any kind, where a charge to the insured is not made for and on account of such policy or certificate of insurance. However, this subdivision shall not apply to any of the following:

(A) Insurance issued to credit unions or members of credit unions in connection with the purchase of shares in such credit unions.

(B) Insurance employed as a means of guaranteeing the performance of goods and designed to benefit the purchasers or users of such goods.

(C) Title insurance.

(D) Insurance written in connection with an indebtedness and intended as a means of repaying such indebtedness in the event of the death or disability of the insured.

(E) Insurance provided by or through motorists service clubs or associations.

(F) Insurance that is provided to the purchaser or holder of an air transportation ticket and that:

(i) insures against death or nonfatal injury that occurs during the flight to which the ticket relates;

(ii) insures against personal injury or property damage that occurs during travel to or from the airport in a common carrier immediately before or after the flight;

(iii) insures against baggage loss during the flight to which the ticket relates; or

(iv) insures against a flight cancellation to which the ticket relates.

(14) Refusing, because of the for-profit status of a hospital or medical facility, to make payments otherwise required to be made under a contract or policy of insurance for charges incurred by an insured in such a for-profit hospital or other for-profit medical facility licensed by the state department of health.

(15) Refusing to insure an individual, refusing to continue to issue insurance to an individual, limiting the amount, extent, or kind of coverage available to an individual, or charging an individual a different rate for the same coverage, solely because of that individual's blindness or partial blindness, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience.

(16) Committing or performing, with such frequency as to indicate a general practice, unfair claim settlement practices (as defined in section 4.5 of this chapter).

(17) Between policy renewal dates, unilaterally canceling an individual's coverage under an individual or group health insurance policy solely because of the individual's medical or physical condition.

(18) Using a policy form or rider that would permit a cancellation of coverage as described in subdivision (17).

(19) Violating IC 27-1-22-25 or IC 27-1-22-26 concerning motor vehicle insurance rates.

(20) Violating IC 27-8-21-2 concerning advertisements referring to interest rate guarantees.

(21) Violating IC 27-8-24.3 concerning insurance and health

plan coverage for victims of abuse.

(22) Violating IC 27-8-26 concerning genetic screening or testing.

(23) Violating IC 27-1-15.6-3(b) concerning licensure of insurance producers.

(24) Violating IC 27-2-21 concerning use of credit information in underwriting of property and casualty insurance."

Page 6, after line 28, begin a new paragraph and insert:

"SECTION 6. IC 34-30-2-111.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 111.7. IC 27-2-21-19 (Concerning the liability of insurance producers in actions arising from the use of credit information by an insurer)."**

Renumber all SECTIONS consecutively.

(Reference is to SB 276 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 3.

CROOKS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred Engrossed Senate Bill 283, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 7, nays 1.

WEINZAPFEL, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 333, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, after "racetracks" insert "**and satellite facilities**".

Page 2, line 15, after "ticket" insert "**or simulated ticket**".

Page 2, line 30, after "racetrack" insert "**or satellite facility**".

Page 3, between lines 5 and 6, begin a new paragraph and insert: "SECTION 5. IC 4-31-4-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section does not apply to a person who satisfies all of the following:

(1) The person was issued a satellite facility license before January 2, 1996.

(2) The person operated a satellite facility before January 2, 1996.

(3) The person is currently operating the satellite facility under the license.

(b) A person may not operate under a satellite facility license unless both of the following apply:

(1) The county fiscal body of the county in which the satellite facility will be operated has adopted an ordinance under section 2.5 of this chapter.

(2) The person secures a license under IC 4-31-5.5.

(c) Notwithstanding any other provision of this article, subsection (b)(1) does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 6. IC 4-31-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county. However, before adopting the ordinance, the county fiscal body must:

(1) conduct a public hearing on the proposed ordinance; and
(2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

(1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter; or

(2) amend an ordinance already adopted by the county fiscal body to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who has already been issued a permit under IC 4-31-5 before amendment of the ordinance.

(c) An ordinance adopted under this section authorizing a person to conduct pari-mutuel wagering on horse races at racetracks in the county may not be amended with the intent to restrict a permit holder's ability to sell pari-mutuel pull tabs under IC 4-31-7.5. An ordinance adopted by the county fiscal body permitting the sale of pari-mutuel pull tabs is not a requirement for the lawful sale of pari-mutuel pull tabs under IC 4-31-7.5.

SECTION 7. IC 4-31-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5.5 for operation of a satellite facility in the county. However, before adopting the ordinance, the county fiscal body must:

(1) conduct a public hearing on the proposed ordinance; and
(2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

(1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter; or

(2) amend an ordinance already adopted in the county to require that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who was issued a license under IC 4-31-5.5 before the ordinance was amended.

(c) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 8. IC 4-31-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) This section does not apply to either of the following:

(1) A permit holder who satisfies all of the following:

(A) The permit holder was issued a permit before January 2, 1996.

(B) The permit holder conducted live racing before January 2, 1996.

(C) The permit holder is currently operating under the permit.

(2) A person who satisfies all of the following:

(A) The person was issued a satellite facility license before January 2, 1996.

(B) The person operated a satellite facility before January 2, 1996.

(C) The person is currently operating the satellite facility under the license.

(b) This section applies if either of the following apply:

(1) Both of the following are satisfied:

(A) An ordinance is adopted under section 2 or 2.5 of this chapter.

(B) The ordinance requires the voters of the county to approve either of the following:

- (i) The conducting of horse racing meetings in the county.
- (ii) The operation of a satellite facility in the county.

(2) A local public question is required to be held under section 2.7 of this chapter following the filing of a petition with the circuit court clerk:

(A) signed by at least the number of registered voters of the county required under IC 3-8-6-3 to place a candidate on the ballot; and

(B) requesting that the local public question set forth in subsection (d) be placed on the ballot.

(c) Notwithstanding any other provision of this article, the commission may not issue a recognized meeting permit under IC 4-31-5 to allow the conducting of or the assisting of the conducting of a horse racing meeting unless the voters of the county in which the property is located have approved conducting recognized meetings in the county.

(d) For a local public question required to be held under subsection (c), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall horse racing meetings at which pari-mutuel wagering occurs be allowed in _____ County?"

(e) Notwithstanding any other provision of this article, the commission may not issue a satellite facility license under IC 4-31-5.5 to operate a satellite facility unless the voters of the county in which the satellite facility will be located approve the operation of the satellite facility in the county.

(f) For a local public question required to be held under subsection (e), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall satellite facilities at which pari-mutuel wagering occurs be allowed in _____ County?"

(g) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(h) The circuit court clerk of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(i) If a public question is placed on the ballot under subsection (d) or (f) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection.

(j) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city."

Page 3, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 10. IC 4-31-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) The commission's authority to issue satellite facility licenses is subject to the following conditions:

(1) The commission may issue four (4) satellite facility licenses to each permit holder that:

(A) conducts at least one hundred twenty (120) live racing days per year at the racetrack designated in the permit holder's permit; and

(B) meets the other requirements of this chapter and the rules adopted under this chapter.

If a permit holder that operates satellite facilities does not meet the required minimum number of live racing days, the permit holder may not operate the permit holder's satellite facilities during the following year. However, the requirement for one

hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days.

(2) Each proposed satellite facility must be covered by a separate application. The timing for filing an initial application for a satellite facility license shall be established by the rules of the commission.

(3) A satellite facility must:

(A) have full dining service available;

(B) have multiple screens to enable each patron to view simulcast races; and

(C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be approved, the commission shall consider the following:

(A) The purposes and provisions of this chapter.

(B) The public interest.

(C) The impact of the proposed satellite facility on live racing.

(D) The impact of the proposed satellite facility on the local community.

(E) The potential for job creation.

(F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.

(G) Any other factors that the commission considers important or relevant to its decision.

(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

(6) Not more than one (1) license may be issued to each permit holder to operate a satellite facility located in a county having a consolidated city. The maximum number of licenses that the commission may issue for satellite facilities to be located in a county having a consolidated city is two (2) licenses.

SECTION 11. IC 4-31-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or group of permit holders that is authorized to operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

(1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.

(2) Construction or leasing of satellite wagering facilities.

(3) Sale of food and beverages.

(4) Advertising and promotion.

(5) Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.

(6) All other related activities."

Page 3, line 25, delete "race track" and insert "racetrack or satellite facility".

Page 3, line 34, delete "twenty-one (21)" and insert "eighteen (18)".

Page 3, line 38, reset in roman "eighteen (18)".

Page 3, line 38, delete "twenty-one (21)".

Page 3, between lines 39 and 40, begin a new paragraph and insert:

"(d) A person less than twenty-one (21) years of age may not

enter the part of a satellite facility in which pari-mutuel pull tabs are sold and redeemed."

Page 4, line 37, delete "a" and insert "the following locations:

(1) A".

Page 4, between lines 39 and 40, begin a new line block indented and insert:

"(2) A satellite facility that is located in a county having a consolidated city and that is operated by a permit holder described in subdivision (1)."

Page 4, delete lines 40 through 42.

Page 5, delete line 1.

Page 5, line 2, delete "(c)" and insert "(b)".

Page 5, line 2, delete "seven" and insert "five".

Page 5, line 3, delete "(700)" and insert "(500)".

Page 5, between lines 4 and 5, begin a new paragraph and insert:

"(c) A permit holder may not install more than five hundred (500) pull tab terminals or devices on the premises of the permit holder's satellite facility located in a county containing a consolidated city."

Page 5, line 19, delete "commission, with imput and assistance from the".

Page 5, line 20, after "commission" delete ",".

Page 5, line 38, before "commission" insert "Indiana gaming".

Page 5, line 38, after "with the" delete "Indiana".

Page 5, line 39, delete "gaming" and insert "horse racing".

Page 5, line 41, before "commission" insert "Indiana gaming".

Page 6, line 3, before "commission" insert "Indiana gaming".

Page 6, between lines 14 and 15, begin a new paragraph and insert:

"Sec. 16. The sale, purchase, and redemption of pari-mutuel pull tab tickets under this chapter shall be regulated and administered by the Indiana gaming commission.

Sec. 17. (a) Notwithstanding any other provision of this chapter, a permit holder may not commence the sale of pari-mutuel pull tabs until the Indiana gaming commission makes the determinations required under subsection (b) and authorizes the permit holder to commence the sale of pari-mutuel pull tabs under this section.

(b) The Indiana gaming commission may not authorize a permit holder to sell pari-mutuel pull tabs under this chapter until after the commission determines that:

(1) Indiana law imposes a tax upon the receipts of pari-mutuel pull tab wagering; and

(2) Indiana law provides revenue sharing from the taxes imposed upon pari-mutuel pull tab wagering or riverboat gaming to the counties that do not have a riverboat licensed under IC 4-33, a horse racing track, or a satellite facility."

Page 6, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 11. IC 4-31-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 14. Minority and Women's Business Participation

Sec. 1. This chapter applies to a person holding a permit to operate a racetrack under IC 4-31-5 at which pari-mutuel pull tab tickets are sold or a license to operate a satellite facility under IC 4-31-5.5 at which pari-mutuel pull tab tickets are sold.

Sec. 2. The general assembly declares that it is essential for minority and women's business enterprises to have the opportunity for full participation in the pari-mutuel pull tab game industry if minority and women's business enterprises are to obtain social and economic parity and if the economies of the cities, towns, and counties in which pari-mutuel pull tab games are operated are to be stimulated as contemplated by this article.

Sec. 3. As used in this chapter, "minority" means a person who is one (1) of the following:

(1) Black.

(2) Hispanic.

(3) Asian American.

(4) Native American or Alaskan native.

Sec. 4. As used in this chapter, "minority business enterprise" means a business that is one (1) of the following:

(1) A sole proprietorship owned and controlled by a minority.

(2) A partnership or joint venture owned and controlled by minorities:

(A) in which at least fifty-one percent (51%) of the ownership interest is held by at least one (1) minority; and

(B) the management and daily business operations of which are controlled by at least one (1) of the minorities who own the business.

(3) A corporation or other entity:

(A) whose management and daily business operations are controlled by at least one (1) of the minorities who own the business; and

(B) that is at least fifty-one percent (51%) owned by at least one (1) minority or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) minority.

Sec. 5. As used in this chapter, "women's business enterprise" means a business that is one (1) of the following:

(1) A sole proprietorship owned and controlled by a woman.

(2) A partnership or joint venture owned and controlled by women in which:

(A) at least fifty-one percent (51%) of the ownership is held by women; and

(B) the management and daily business operations are controlled by at least one (1) of the women who own the business.

(3) A corporation or other entity:

(A) whose management and daily business operations are controlled by at least one (1) of the women who own the business; and

(B) that is at least fifty-one percent (51%) owned by women or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) of the women.

Sec. 6. (a) As used in this section, "goods and services" does not include the following:

(1) Utilities and taxes.

(2) Financing costs, mortgages, loans, or other debt.

(3) Medical insurance.

(4) Fees and payments to a parent or an affiliated company of the permit holder or satellite facility operator, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use or benefit of the permit holder or satellite facility operator.

(5) Rents paid for real property or payment constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, a permit holder operating a horse racetrack or a satellite facility shall establish goals of expending at least the following:

(1) The greater of:

(A) ten percent (10%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises; or

(B) the percentage of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises that represents the percentage of minorities who reside in the county in which the racetrack or satellite facility is located.

(2) Five percent (5%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with women's business enterprises.

A permit holder or satellite facility operator shall submit quarterly reports to the commission that outline the total dollar value of contracts awarded for goods and services and the percentage awarded to minority and women's business enterprises.

(c) A permit holder or satellite facility operator shall make a good faith effort to meet the requirements of this section and shall quarterly, unless otherwise directed by the commission, demonstrate to the commission at a public meeting that an effort was made to meet the requirements.

(d) A permit holder or satellite facility operator may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for minority or women's business enterprises. Upon request, the permit holder or satellite facility operator shall provide the commission with proof of the amount set aside.

Sec. 7. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met by a permit holder or satellite facility operator, the commission may suspend, limit, or revoke the person's satellite facility license or recognized meeting permit, impose a civil penalty, or impose appropriate conditions on the license or permit to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a permit holder or satellite facility operator has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

Sec. 8. The commission shall deposit civil penalties imposed under section 7 of this chapter in the women and minority business assistance fund established by section 12 of this chapter.

Sec. 9. The commission shall establish and administer a unified certification procedure for minority and women's business enterprises that do business with permit holders and satellite facility operators on contracts for goods and services or contracts for business.

Sec. 10. The commission shall supply permit holders and satellite facility operators with a list of the minority and women's business enterprises the commission has certified under section 9 of this chapter. The commission shall review the list at least annually to determine the minority and women's business enterprises that should continue to be certified. The commission shall establish a procedure for challenging the designation of a certified minority or women's business enterprise. The procedure must include proper notice and a hearing for all parties concerned.

Sec. 11. The commission shall adopt other rules necessary to interpret and implement this chapter.

Sec. 12. (a) The women and minority business assistance fund is established to assist women and minority business enterprises. The fund shall be administered by the commission. The fund consists of penalties imposed by the commission under section 7 of this chapter.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund."

Page 6, line 37, delete "includes" and insert "consists solely of".

Page 7, line 14, delete "hotel built before" and insert "structure originally built as a hotel that contained at least three hundred (300) sleeping rooms on or before January 1,".

Page 7, line 14, after "1930" insert ",".

Page 7, line 14, delete "with at least three hundred (300)".

Page 7, delete line 15, begin a new paragraph and insert:

"SECTION 14. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13.5. "Licensed operating agent" means a person licensed under IC 4-33-6.5 to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.

SECTION 16. IC 4-33-2-14.5 IS ADDED TO THE INDIANA

CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14.5. "Operating agent's license" means a license issued under IC 4-33-6.5 that allows a person to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission."

Page 7, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 16. IC 4-33-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16. "Person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, a historic preservation district, or any other business entity.

SECTION 17. IC 4-33-2-16.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002] Sec. 16.3. "Pari-mutuel pull tab" has the meaning set forth in IC 4-31-2-11.5."

Page 8, between lines 5 and 6, begin a new line block indented and insert:

"(6) Establishing ethical standards regulating the conduct of members of a historic preservation commission established under IC 36-7-11-4.5 with regard to the selection and licensure of an operating agent to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3).

(7) Establishing the conditions under which the sale, purchase, and redemption of pari-mutuel pull tabs may be conducted under IC 4-31-7.5."

Page 11, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 23. IC 4-33-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person applying for an owner's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee. However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this subsection.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for an owner's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the owner's license.

(d) The costs of investigating an applicant for an owner's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for an owner's license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

(f) The commission shall recoup all of the costs associated with investigating or reinvestigating an applicant that is a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent."

Page 12, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 25. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) This section does not apply to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).

(b) In an application for an owner's license, the applicant must state the dock at which the riverboat is based and the navigable waterway on which the riverboat will operate."

Page 12, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 27. IC 4-33-6-8 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. If the commission determines that a person is eligible under this chapter for an owner's license, the commission may issue an owner's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and
- (2) the person posts a bond as required in section 9 of this chapter.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section."

Page 12, line 31, delete "A" and insert **"Except as provided in subsection (l), a"**.

Page 14, between lines 3 and 4, begin a new paragraph and insert: **"(l) The historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to post the bond required under this section."**

Page 14, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 29. IC 4-33-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) Unless the owner's license is terminated, expires, or is revoked, the owner's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

(b) A licensed owner shall undergo a complete investigation every three (3) years to determine that the licensed owner remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate a licensed owner at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The licensed owner shall bear the cost of an investigation or reinvestigation of the licensed owner and any investigation resulting from a potential transfer of ownership.

(e) The commission shall recoup all of the costs associated with investigating or reinvestigating a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 30. IC 4-33-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) This section applies to:

- (1) a county contiguous to the Ohio River;
- ~~(2) a county contiguous to Patoka Lake; and~~
- ~~(3)~~ **(2)** a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next general election:

"Shall licenses be issued to permit riverboat gambling in _____ County?"

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in

accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in a county and the voters of the county do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

SECTION 31. IC 4-33-6-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.5. (a) This section applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) The commission may issue only one (1) license under this article to allow a riverboat to operate in the county within a historic preservation district established under IC 36-7-11.

(c) The commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and
- (2) a town having a population of less than one thousand five hundred (1,500) located in the county;

have approved gambling on riverboats in the county.

(d) If at least the number of registered voters of the town required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the clerk of the circuit court requesting that a local public question concerning riverboat gambling be placed on the ballot, the county election board shall place the following question on the ballot in the town described in subsection (c) during the next primary or general election or a special election held under this section:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(e) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this section and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) In a special election held under this section:

- (1) IC 3 applies, except as otherwise provided in this section; and
- (2) at least as many precinct polling places as were used in the towns described in subsection (c) during the most recent municipal election must be used for the special election.

(h) The clerk of the circuit court of a county holding an election under this section shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

SECTION 32. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. (a) As used in this section, **"electronic gaming device"** has the meaning set forth in 68 IAC 1-1-29.

(b) As used in this section, **"live gaming device"** has the meaning set forth in 68 IAC 1-1-59.

(c) Except as provided in subsection (d) and IC 4-33-9-17, a riverboat licensed under this article may not contain more than three thousand two hundred (3,200) electronic gaming devices.

(d) The maximum permissible number of electronic gaming devices imposed by subsection (b) does not apply to a riverboat that contains a number of electronic gaming devices that exceeds two thousand eight hundred eighty (2,880) on July 1, 2002.

However, a riverboat described in this subsection may not add more than three hundred twenty (320) electronic gaming devices to the number of electronic gaming devices contained on the riverboat on July 1, 2002.

(e) This section does not limit the number of live gaming devices that a riverboat may contain.

SECTION 33. IC 4-33-6-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 22. (a) Notwithstanding any other provision of this chapter, a licensed owner may not begin to allow the continuous ingress and egress of passengers for the purposes of gambling until the gaming commission makes the determinations required under subsection (b) and authorizes the licensed owner to allow the continuous ingress and egress passengers for the purposes of gambling.

(b) The commission may not authorize a licensed owner to allow the continuous ingress and egress of passengers for the purposes of gambling until after the commission determines that:

- (1) Indiana law imposes a tax upon the receipts of pari-mutuel pull tab wagering; and
- (2) Indiana law provides revenue sharing from the taxes imposed upon pari-mutuel pull tab wagering or riverboat gaming to the counties that do not have a riverboat licensed under IC 4-33, a horse racing track, or a satellite facility.

(c) Until the commission makes the determinations required under subsection (b) and authorizes a licensed owner to begin allowing the continuous ingress and egress of passengers for the purposes of gambling, a licensed owner must operate the licensed owner's riverboat and conduct gambling games in the manner required under this article before January 1, 2002.

SECTION 34. IC 4-33-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 6.5. Riverboat Operating Agent's License

Sec. 1. This chapter applies only to a riverboat operated under a license described in IC 4-33-6-1(a)(6).

Sec. 2. (a) A person applying for an operating agent's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee.

(b) An applicant must submit the following on forms provided by the commission:

- (1) If the applicant is an individual, two (2) sets of the individual's fingerprints.
- (2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the license.

(d) The costs of investigating an applicant for a license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a license under this chapter must pay all additional costs that are:

- (1) associated with the investigation of the applicant; and
- (2) greater than the amount of the application fee paid by the applicant.

Sec. 3. The commission may not issue an operating agent's license under this chapter to a person if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of

gambling operations authorized under this article;

(6) the person owns an ownership interest of more than the total amount of ownership interests permitted under IC 4-33-6-3.5; or

(7) a license issued to the person:

- (A) under this article; or
- (B) to own or operate gambling facilities in another jurisdiction;

has been revoked.

Sec. 4. In determining whether to grant an operating agent's license to an applicant, the commission shall consider the following:

(1) The character, reputation, experience, and financial integrity of the following:

- (A) The applicant.
- (B) A person that:
 - (i) directly or indirectly controls the applicant; or
 - (ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.

(2) The facilities or proposed facilities for the conduct of riverboat gambling in a historic preservation district described in IC 4-33-1-1(3).

(3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.

(4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.

(5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.

(6) If the applicant has adequate capitalization to operate a riverboat for the duration of the license.

(7) The extent to which the applicant exceeds or meets other standards adopted by the commission.

Sec. 5. If the commission determines that a person is eligible under this chapter for an operating agent's license, the commission may issue an operating agent's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and
- (2) the person posts a bond as required in section 6 of this chapter.

Sec. 6. (a) A licensed operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic preservation district described in IC 4-33-1-1(3).

(b) The bond shall be furnished in:

- (1) cash or negotiable securities;
- (2) a surety bond:
 - (A) with a surety company approved by the commission; and
 - (B) guaranteed by a satisfactory guarantor; or
- (3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

- (1) is subject to the approval of the commission; and
- (2) must be payable to the commission as obligee for use in payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require a licensed operating agent to file a new bond with a satisfactory surety in the same form and amount if:

- (1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed operating agent remains at the site of the riverboat operating within a historic preservation district:

- (1) for five (5) years; or
- (2) until the date the commission grants a license to another operating agent to operate from the site for which the bond was posted;

whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

- (1) the time has run under subsection (h); and
- (2) a written request is submitted by the operating agent.

Sec. 7. (a) Unless the operating agent's license is terminated, expires, or is revoked, the operating agent's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

(b) An operating agent shall undergo a complete investigation every three (3) years to determine that the operating agent remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate an operating agent at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The operating agent shall bear the cost of an investigation or reinvestigation of the operating agent.

Sec. 8. A license issued under this chapter permits the holder to operate a the riverboat on behalf of the licensed owner of the riverboat.

Sec. 9. An operating agent licensed under this chapter is charged with all the duties imposed upon a licensed owner under this article including the collection and remission of taxes under IC 4-33-12 and IC 4-33-13.

SECTION 9. IC 4-33-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tab Suppliers

Sec. 1. The commission may issue a supplier's license under this chapter to a person if:

- (1) the person has:
 - (A) applied for the supplier's license;
 - (B) paid a nonrefundable application fee set by the commission;
 - (C) paid a five thousand dollar (\$5,000) annual license fee; and
 - (D) submitted on forms provided by the commission:
 - (i) if the applicant is an individual, two (2) sets of the individual's fingerprints; and
 - (ii) if the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant; and
- (2) the commission has determined that the applicant is

eligible for a supplier's license.

Sec. 2. (a) A person holding a supplier's license may sell, lease, and contract to sell or lease pari-mutuel pull tab terminals and devices to a permit holder authorized to sell and redeem pari-mutuel pull tab tickets under IC 4-31-7.5.

(b) Pari-mutuel pull tab terminals and devices may not be distributed unless the terminals and devices conform to standards adopted by the commission.

Sec. 3. A person may not receive a supplier's license if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
- (6) the person owns more than a ten percent (10%) ownership interest in any other person holding a permit issued under IC 4-31; or
- (7) a license issued to the person:
 - (A) under this article; or
 - (B) to supply gaming supplies in another jurisdiction; has been revoked.

Sec. 4. A person may not furnish pari-mutuel pull tab terminals or devices to a permit holder unless the person possesses a supplier's license.

Sec. 5. (a) A supplier shall furnish to the commission a list of all pari-mutuel pull tab terminals and devices offered for sale or lease in connection with the sale of pari-mutuel pull tab tickets authorized under IC 4-31-7.5.

(b) A supplier shall keep books and records for the furnishing of pari-mutuel pull tab terminals and devices to permit holders separate from books and records of any other business operated by the supplier.

(c) A supplier shall file a quarterly return with the commission listing all sales and leases.

(d) A supplier shall permanently affix the supplier's name to all of the supplier's pari-mutuel pull tab terminals or devices provided to permit holders under this chapter.

Sec. 6. A supplier's pari-mutuel pull tab terminals or devices that are used by a person in an unauthorized gambling operation shall be forfeited to the state.

Sec. 7. Pari-mutuel pull tab terminals and devices that are provided by a supplier may be:

- (1) repaired on the premises of a racetrack or satellite facility; or
- (2) removed for repair from the premises of a permit holder to a facility owned the permit holder.

Sec. 8. (a) Unless a supplier's license is suspended, expires, or is revoked, the supplier's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee is in compliance with this article.

(b) The holder of a supplier's license shall undergo a complete investigation every three (3) years to determine that the licensee is in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate the holder of a supplier's license at any time the commission determines it is necessary to ensure that the licensee is in compliance with this article.

(d) The holder of a supplier's license shall bear the cost of an investigation or reinvestigation of the licensee and any investigation resulting from a potential transfer of ownership."

Page 15, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 34. IC 4-33-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 16. Gambling Operations in a Historic Preservation District

Sec. 1. This chapter applies only to a historic preservation district described in IC 4-33-1-1(3) and established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "district" refers to the historic preservation district established under IC 36-7-11-4.5.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. As used in this chapter, "operating expenses" means the following:

(1) Money spent by the historic preservation commission in the exercise of the historic preservation commission's powers under this article, IC 36-7-11-23, and IC 36-7-11-24 as limited by section 5 of this chapter.

(2) Management fees paid to the riverboat's licensed operating agent.

Sec. 5. A riverboat authorized under this article for a historic preservation district described in IC 4-33-1-1(3) must be located on real property owned by the district that is located between the two (2) historic resort hotels.

Sec. 6. The commission shall grant an owner's license to the historic preservation commission upon the fulfillment of the following requirements:

(1) Riverboat gaming is approved in a public question.

(2) The commission completes the investigations required under IC 4-33-6.

Sec. 7. The historic preservation commission shall contract with another person to operate a riverboat located in the district. The person must be a licensed operating agent under IC 4-33-6.5.

Sec. 8. The net income derived from the riverboat after the payment of all operating expenses shall be deposited in the French Lick and West Baden community trust fund established under IC 36-7-11.4.

Sec. 9. After deducting any tax revenue received under IC 4-33-12 and IC 4-33-13 that:

(1) is expended by the historic preservation commission to carry out the historic preservation commission's duties and powers under this article, IC 36-7-11-3, and IC 36-7-11-24; or

(2) is pledged to bonds, leases, or other obligations under IC 5-1-14-4;

the historic preservation commission shall deposit the remaining tax revenue in the French Lick and West Baden community trust fund established under IC 36-7-11.4."

Page 16, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 37. IC 36-7-11-4.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.3. (a) An ordinance that establishes a historic preservation commission under section 4 or 4.5 of this chapter may authorize the staff of the commission, on behalf of the commission, to grant or deny an application for a certificate of appropriateness.

(b) An ordinance adopted under this section must specify the types of applications that the staff of the commission is authorized to grant or deny. The staff may not be authorized to grant or deny an application for a certificate of appropriateness for the following:

(1) The demolition of a building.

(2) The moving of a building.

(3) The construction of an addition to a building.

(4) The construction of a new building.

SECTION 36. IC 36-7-11-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.5. (a) This section applies to the following towns located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000):

(1) A town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).

(2) A town having a population of less than one thousand five hundred (1,500).

(b) The towns described in subsection (a) may enter an interlocal agreement under IC 36-1-7 to establish a joint historic preservation district under this chapter. An ordinance entering the interlocal agreement must provide for the following membership of the joint historic preservation district:

(1) A member of the town council of a town described in subsection (a)(1).

(2) A member of the town council of a town described in subsection (a)(2).

(3) The owner of a historic resort hotel located in a town described in subsection (a)(1) or the owner's designee.

(4) The owner of a historic resort hotel located in a town described in subsection (a)(2) or the owner's designee.

(5) An individual appointed by the Historic Landmarks Foundation of Indiana.

(6) A resident of a town described in subsection (a)(1).

(7) A resident of a town described in subsection (a)(2).

(c) A member of the commission described in subsection (b)(1) or (b)(2) shall serve for the duration of the member's term of office on the town council. The members described in subsection (b)(5) through (b)(7) shall each serve for a term of three (3) years. However, the terms of the original voting members may be for one (1) year, two (2) years, or three (3) years in order for the terms to be staggered, as provided by the ordinance. A vacancy shall be filled for the duration of the term.

(d) The ordinance may provide qualifications for members of the commission described in subsection (b)(6) and (b)(7). However, members must be residents of the unit who are interested in the preservation and development of historic areas. The members of the commission should include professionals in the disciplines of architectural history, planning, and other disciplines related to historic preservation, to the extent that those professionals are available in the community. The ordinance may also provide for the appointment of advisory members that the legislative body considers appropriate.

(e) Each member of the commission must, before beginning the discharge of the duties of the member's office, do the following:

(1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.

(2) Provide a bond to the state that:

(A) is approved by the Indiana gaming commission;

(B) is for twenty-five thousand dollars (\$25,000); and

(C) is, after being executed and approved, recorded in the office of the secretary of state.

(f) The ordinance may:

(1) designate an officer or employee of a town described in subsection (a) to act as administrator;

(2) permit the commission to appoint an administrator who shall serve without compensation except reasonable expenses incurred in the performance of the administrator's duties; or

(3) provide that the commission act without the services of an administrator.

(g) Members of the commission shall serve without compensation except for reasonable expenses incurred in the performance of their duties.

(h) The commission shall elect from its membership a chairperson and vice chairperson, who shall serve for one (1) year and may be reelected.

(i) The commission shall adopt rules consistent with this chapter for the transaction of its business. The rules must include the time and place of regular meetings and a procedure for the calling of special meetings. All meetings of the commission must be open to the public, and a public record of the commission's resolutions, proceedings, and actions must be

kept. If the commission has an administrator, the administrator shall act as the commission's secretary. If the commission does not have an administrator, the commission shall elect a secretary from its membership.

(j) The commission shall hold regular meetings, at least monthly, except when it has no business pending.

(k) A decision of the commission is subject to judicial review under IC 4-21.5-5 as if it were a decision of a state agency.

(l) Money acquired by the historic preservation commission:

(1) is subject to the laws concerning the deposit and safekeeping of public money; and

(2) must be deposited under the advisory supervision of the state board of finance in the same way and manner, at the same rate of interest, and under the same restrictions as other state money.

(m) The money of the historic preservation commission and the accounts of each officer, employee, or other person entrusted by law with the raising, disposition, or expenditure of the money or part of the money are subject to the following:

(1) Examination by the state board of accounts.

(2) The same penalties and the same provision for publicity that are provided by law for state money and state officers.

SECTION 38. IC 36-7-11-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.6. An ordinance that establishes a historic preservation commission under section 4 or 4.5 of this chapter may:

(1) authorize the commission to:

(A) acquire by purchase, gift, grant, bequest, devise, or lease any real or personal property, including easements, that is appropriate for carrying out the purposes of the commission;

(B) hold title to real and personal property; and

(C) sell, lease, rent, or otherwise dispose of real and personal property at a public or private sale on the terms and conditions that the commission considers best; and

(2) establish procedures that the commission must follow in acquiring and disposing of property.

SECTION 39. IC 36-7-11-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 23. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.

(b) In addition to the commission's other duties set forth in this chapter, the commission shall do the following:

(1) Designate a fiscal agent who must be the fiscal officer of one (1) of the towns described in section 4.5(a) of this chapter.

(2) Employ professional staff to assist the commission in carrying out its duties under this section.

(3) Engage consultants, attorneys, accountants, and other professionals necessary to carry out the commission's duties under this section.

(4) Own the riverboat license described in IC 4-33-6-1(a)(6).

(5) Develop requests for proposals for persons interested in operating and managing the riverboat authorized under IC 4-33 on behalf of the commission as the riverboat's licensed operating agent.

(6) Recommend a person to the gaming commission that the historic preservation commission believes will:

(A) promote the most economic development in the area surrounding the historic preservation district;

(B) best meet the criteria set forth in IC 4-33-6-4; and

(C) best serve the interests of the citizens of Indiana.

However, the gaming commission is not bound by the recommendation of the historic preservation commission.

SECTION 40. IC 36-7-11-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 24. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.

(b) In addition to the commission's other powers set forth in this chapter, the commission may do the following:

(1) Enter contracts to carry out the commission's duties

under section 23 of this chapter, including contracts for the construction, maintenance, operation, and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(2) Provide recommendations to the Indiana gaming commission concerning the operation and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(c) This section may not be construed to limit the powers of the Indiana gaming commission with respect to the administration and regulation of riverboat gaming under IC 4-33.

SECTION 41. IC 36-7-11.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 11.4. French Lick and West Baden Community Trust Fund

Sec. 1. This section applies to a historic preservation district established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "fund" refers to the French Lick and West Baden community trust fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. (a) The French Lick and West Baden community trust fund is established.

(b) The fund consists of the following:

(1) Money disbursed from the historic preservation commission.

(2) Donations.

(3) Interest and dividends on assets of the fund.

(4) Money transferred to the fund from other funds.

(5) Money from any other source.

Sec. 5. (a) The historic preservation commission shall manage and develop the fund and the assets of the fund.

(b) The historic preservation commission shall do the following:

(1) Establish a policy for the investment of the fund's assets.

(2) Perform other tasks consistent with prudent management and development of the fund.

Sec. 6. (a) Subject to the investment policy of the board, the fiscal agent appointed by the historic preservation commission shall administer the fund and invest the money in the fund.

(b) The expenses of administering the fund and implementing this chapter shall be paid from the fund.

(c) Money in the fund that is not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds are invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 7. (a) The historic preservation commission has the sole authority to allocate money from the fund for the following purposes:

(1) The preservation, restoration, maintenance, operation, and development of the French Lick historic resort hotel.

(2) The preservation, restoration, maintenance, operation, and development of the West Baden historic resort hotel.

(3) Infrastructure projects and other improvements in the surrounding community.

(b) Money allocated under subsection (a)(1) and (a)(2) must be divided equally between the two historic resort hotels.

Sec. 8. The historic preservation commission shall prepare an annual report concerning the fund and submit the report to the legislative council before October 1 of each year. The report is a public record."

Page 16, after line 15, begin a new paragraph and insert:

"SECTION 38. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty

thousand (20,000).

(b) The Indiana gaming commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

(1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2, 200) located in the county; and

(2) a town having a population of less than one thousand five hundred (1,500) located in the county;

have approved gambling on a riverboat in the county.

(c) Notwithstanding IC 4-33-6-19.5, as added by this act, the county election board shall place the following question on the ballot in the towns described in subsection (b) during the primary election held on May 7, 2002:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(d) Notwithstanding IC 4-33-6-19.5, as added by this act, the registered voters of the towns described in subsection (b) are not required to petition the clerk of the circuit court to place the public question described in subsection (c) on the ballot.

(e) A public question under this SECTION shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this SECTION and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) The clerk of the circuit court of a county holding an election under this SECTION shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(h) This SECTION expires July 2, 2002.

SECTION 39. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 333 as reprinted January 29, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 4.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred Engrossed Senate Bill 351, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, strike "nine (9)" and insert "**10 (ten)**".

Page 1, line 5, delete "IC 20-12-24-3.5." and insert "**IC 20-12-24-3.5 or the nonvoting faculty trustee elected under IC 20-12-24-3.6.**".

Page 2, after line 13, begin a new paragraph and insert:

"SECTION 2. IC 20-12-23-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. ~~Five (5)~~ **Six (6)** of such trustees shall constitute a quorum; and, in case an emergency is declared by the faculty, after there shall have been a called session, at which the other members failed to attend, the three **(3)** trustees residing in the county of Monroe may fill vacancies in the faculty of the university and the board of trustees; and, in case there should not be three (3) trustees in attendance upon such emergency, then those that are in attendance, together with such members of the faculty as may be in attendance, shall fill such vacancies; but appointments thus made shall expire at the next meeting of the board.

SECTION 3. IC 20-12-24-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3.6. **One (1) member of the board of trustees:**

(1) must be a member of the faculty of Indiana University who holds the rank of assistant professor or higher;

(2) shall be elected under IC 20-12-64.5 by secret ballot by all Indiana University employees who hold the rank of assistant professor or higher;

(3) serves a three (3) year term beginning July 1, or, if a

vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;

(4) is eligible for reelection as faculty trustee if the person remains a member of the faculty of Indiana University; and

(5) is not entitled to vote as a member of the board of trustees.

SECTION 4. IC 20-12-37-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. The board of trustees of Purdue University shall consist of ~~ten (10)~~ **eleven (11)** members, to be appointed or elected for such term of service and in such manner as is herein provided, and that the terms of all trustees shall terminate on the first day of July of the year in which their terms of office expire.

SECTION 5. IC 20-12-37-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) The governor of the state of Indiana shall appoint ten (10) trustees for Purdue University for the term beginning on the first day of July, which trustees and their successors shall be appointed as hereinafter provided. **In addition, one (1) nonvoting member of the Purdue University board of trustees shall be elected under subsection (b).**

(b) **One (1) member of the board of trustees:**

(1) must be a member of the faculty of Purdue University who holds the rank of assistant professor or higher;

(2) shall be elected by secret ballot by the Purdue University faculty senate;

(3) serves a three (3) year term beginning July 1, or if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;

(4) is eligible for reelection as faculty trustee if the person remains a member of the faculty of Purdue University; and

(5) is not entitled to vote as a member of the board of trustees.

SECTION 6. IC 20-12-56-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The Indiana State University board of trustees shall be composed of ~~nine (9)~~ **ten (10)** trustees. The governor shall appoint to the board seven (7) competent persons, one (1) of whom must be a student, and two (2) additional competent persons, alumni of the university, nominated by the alumni council of the university, shall be appointed by the governor. There shall be one (1) or more women on the duly constituted board. **One (1) nonvoting member of the board of trustees shall be a member of the faculty of Indiana State University elected under subsection (d).**

(b) All trustees and their successors shall be appointed for terms of four (4) years, except:

(1) the student member, who shall be appointed for two (2) years during which time ~~he the member~~ must be a full-time student of Indiana State University; and

(2) **the faculty member, who shall be appointed for three (3) years.**

(c) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body. The committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The committee shall submit a list of at least ten (10) names to the governor for ~~his the governor's~~ consideration. The governor shall select one (1) of these names for appointment as a trustee of the university in accordance with the provisions of this chapter.

(d) **One (1) member of the board of trustees:**

(1) must be a member of the faculty of Indiana State University who holds the rank of assistant professor or higher;

(2) shall be elected under IC 20-12-64.5 by secret ballot by all Indiana State University employees who hold the rank of assistant professor or higher;

(3) serves a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;

(4) is eligible for reelection as faculty trustee if the person

remains a member of the faculty of Indiana State University; and
(5) is not entitled to vote as a member of the board of trustees.

(e) All members appointed to the board shall be residents of the state of Indiana and citizens of the United States of America. The alumni members appointed to the board shall have completed a prescribed course of study by Indiana State University or its predecessors, Indiana State Normal School, Indiana State Teachers College, or Indiana State College.

(f) **Except as provided in subsection (d),** all vacancies occurring in the board from death, resignation, or removal from the state shall be filled by appointment by the governor for the unexpired term of the retiring member, subject to the provision that the alumni council of the university shall nominate the appointee to fill a vacancy caused by the loss of an alumni member.

SECTION 7. IC 20-12-57.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. ~~(Board of Trustees: Membership)~~ **(a)** The Ball State University board of trustees shall be composed of ~~nine (9)~~ **ten (10)** members, ~~nine (9) of whom shall be appointed by the governor pursuant to the provisions of under this chapter. Of the nine (9) members appointed by the governor, six (6) of whom shall be appointed at large, two (2) of whom shall be appointed as alumni of Ball State University, and one (1) of whom shall be appointed as a Ball State University student. One (1) nonvoting member of the board of trustees shall be a member of the faculty of Ball State University elected under subsection (d).~~

(b) Within the nonstudent board membership, not more than six (6) shall be of the same sex and not less than one (1) shall be a resident of and reside in Delaware County, Indiana.

(c) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body. The committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The committee shall submit a list of at least ten (10) names to the governor for ~~his the governor's~~ consideration. The governor shall select one **(1)** of these names for appointment as a trustee of the university in accordance with the provisions of under this chapter.

(d) One (1) member of the board of trustees:

- (1) must be a member of the faculty of Ball State University who holds the rank of assistant professor or higher;**
- (2) shall be elected under IC 20-12-64.5 by secret ballot by all Ball State University employees who hold the rank of assistant professor or higher;**
- (3) serves a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;**
- (4) is eligible for reelection as faculty trustee if the person remains a member of the faculty of Ball State University; and**
- (5) is not entitled to vote as a member of the board of trustees.**

SECTION 8. IC 20-12-57.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. ~~(a) With the exception of the student member of the board, Except as provided in subsection (b) and section 2(d) of this chapter, all appointments to the board of trustees are for four (4) year terms. Each term of a nonstudent board member begins on January 1 of the appropriate year. Each member shall serve until his the member's successor is appointed and qualified.~~

(b) The student member of the board of trustees who is appointed under section 2 of this chapter is appointed for a two (2) year term. ~~His The student member's~~ term begins on July 1 of the year in which ~~he the student~~ is appointed. The student member of the board must be a full-time student at Ball State University throughout ~~his the student member's~~ term.

SECTION 9. IC 20-12-57.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. ~~(Board Vacancies)~~ **Except as provided in section 2(d) of this chapter, all**

vacancies occurring on the board of trustees from death, incapacitation, or resignation shall be filled by appointment of the governor for the unexpired term. Vacancies in offices held by alumni members shall be filled from nominees submitted by the alumni council.

SECTION 10. IC 20-12-61-4, AS AMENDED BY P.L.20-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. **(a)** Ivy Tech shall be governed by a board of trustees **who are either** appointed by the governor **under this subsection or elected by the faculty of Ivy Tech State College as a nonvoting member of the state board under subsection (b).** The number of members of the state board **appointed under this subsection** must equal the number of regions established under section 9 of this chapter. Each member of the state board must have knowledge or experience in one (1) or more of the following areas:

- (1) Manufacturing.
- (2) Commerce.
- (3) Labor.
- (4) Agriculture.
- (5) State and regional economic development needs.
- (6) Indiana's educational delivery system.

One (1) member of the state board must reside in each region established under section 9 of this chapter. **Except for the faculty member elected under subsection (b),** appointments shall be for three (3) year terms, on a staggered basis.

(b) One (1) nonvoting member of the board of trustees:

- (1) must be a member of the faculty of Ivy Tech State College who holds the rank of assistant professor or higher;**
- (2) shall be elected by secret ballot by all Ivy Tech State College employees who hold the rank of assistant professor or higher;**
- (3) serves a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee; and**
- (4) is eligible for reelection as faculty trustee if the person remains a member of the faculty of Ivy Tech State College.**

(c) No one who holds an elective or appointed office of the state is eligible to serve as a member of the state board. A member of a regional board may be appointed to the state board, but must then resign from the regional board.

SECTION 11. IC 20-12-61-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. **(a) Except as provided in section 4(b) of this chapter,** the governor shall fill all vacancies on the state board. Each trustee appointed to fill a vacancy shall represent the same region as ~~his the trustee's~~ predecessor.

(b) If a vacancy occurs on the state board, the regional board for the region in which the former member resided may recommend to the governor one (1) or more qualified persons to fill the vacancy.

SECTION 12. IC 20-12-64-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. **(a)** The board consists of ~~nine (9)~~ **ten (10)** members who shall serve staggered terms of four (4) years. However:

- (1) the student member required by subsection (c) shall serve a term of two (2) years; and**
- (2) the nonvoting faculty member elected under subsection (d) shall serve a term of three (3) years.**

(b) Each member of the board must be a citizen of the United States and a resident of Indiana.

(c) The board must include at least the following:

- (1) One (1) member who is an alumnus of the university or an alumnus of the regional campus.
- (2) One (1) member who is a full-time student in good standing enrolled in the university.
- (3) One (1) member who is a resident of Vanderburgh County.
- (4) One (1) member who is a member of the faculty of the university as provided by subsection (d).**

(d) One (1) member of the board of trustees:

- (1) must be a member of the faculty of the University of Southern Indiana who holds the rank of assistant professor or higher;**
- (2) shall be elected under IC 20-12-64.5 by secret ballot by**

all employees of the University of Southern Indiana who hold the rank of assistant professor or higher;

(3) serves a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;

(4) is eligible for reelection as faculty trustee if the person remains a member of the faculty of the University of Southern Indiana; and

(5) is not entitled to vote as a member of the board of trustees.

SECTION 13. IC 20-12-64-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. Except as provided in section 7(d) of this chapter, the governor shall appoint the members of the board. If a vacancy occurs during the term of any member that was appointed by the governor, the governor shall appoint an individual to serve the unexpired term of the vacating member.

SECTION 14. IC 20-12-64.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 64.5. Election of Faculty Trustee Members at State Educational Institutions

Sec. 1. As used in this chapter, "committee" refers to a trustee election committee established by section 5 of this chapter.

Sec. 2. As used in this chapter, "faculty organization" refers to the organization in the governance structure of a state educational institution that:

(1) is composed of faculty members; and

(2) may include other university personnel who are not faculty members.

Sec. 3. As used in this chapter, "faculty trustee member" refers to the member of the faculty who serves on the board of trustees or similarly named governing body of a state educational institution.

Sec. 4. As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

Sec. 5. The faculty organization at each state educational institution shall establish a trustee election committee by determining the following:

(1) The number of members of the committee, which must be at least five (5).

(2) The qualifications required for members of the committee. However, each member of the committee must be a faculty member at the state educational institution who holds the rank of assistant professor or higher.

(3) The manner of selection and appointment of the following:

(A) Members of the committee.

(B) A chairperson of the committee.

(C) A vice chairperson of the committee.

(4) The length of a member's term of service on the committee.

(5) A method for removing a member from the committee.

(6) A method for filling vacancies on the committee.

(7) Other matters the faculty organization considers necessary and relevant.

Sec. 6. A committee shall meet at the call of:

(1) the chairperson; or

(2) a majority of the members of the committee.

Sec. 7. A quorum for a committee to do business is a majority of the total membership of the committee.

Sec. 8. The affirmative vote of a majority of the members of the committee is required for the committee to take action.

Sec. 9. The committee shall do the following:

(1) Establish procedures for the election of the faculty trustee member. However, the procedures that the committee establishes must meet the requirements of section 10 of this chapter.

(2) Personally conduct the election or make other arrangements for the conduct of the election under the direction of the committee.

(3) Perform other duties related to the election of the

faculty trustee member as directed by the faculty organization.

Sec. 10. The following procedures must be observed in the election of the faculty trustee member:

(1) The election must be conducted under the direction of the committee.

(2) The committee must conduct the election in a manner that assures that the person who is elected as a faculty trustee member meets the statutory requirements for the position.

(3) The committee must conduct the election in a manner that assures that the faculty trustee member is elected by all employees of the state educational institution who hold the rank of assistant professor or higher.

(4) The election must be conducted by means of a written ballot designed by the committee.

(5) The election must take place by secret ballot.

(6) The committee must provide for the impartial tabulation of ballots and the reporting of results of the election.

(7) The committee must provide for the safekeeping of the ballots for four (4) years after the election.

SECTION 15. IC 23-13-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The board of trustees of Vincennes University shall consist of ~~ten (10)~~ **eleven (11)** trustees. Nine (9) shall be appointed by the governor, one (1) of whom must be a resident of Knox County and one (1) must be an alumnus of Vincennes. In addition, the governor shall appoint one (1) trustee who is a full-time student of the university during ~~his~~ **the** student's term. **One (1) nonvoting member of the board of trustees shall be a member of the faculty of Vincennes University elected under subsection (d).**

(b) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body. The committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The committee shall submit a list of at least five (5) names to the governor for ~~his~~ **the governor's** consideration. The governor shall select one (1) of these names for appointment as a trustee of the university in accordance with the provisions of this chapter.

(c) There shall be four (4) ex officio members of the board: the president of the university, the superintendent of the Vincennes Community School Corporation, the superintendent of the South Knox School Corporation, and the superintendent of the North Knox School Corporation.

(d) **One (1) member of the board of trustees:**

(1) must be a member of the faculty of Vincennes University who holds the rank of assistant professor or higher;

(2) shall be elected under IC 20-12-64.5 by secret ballot by all employees of Vincennes University who hold the rank of assistant professor or higher;

(3) serves a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;

(4) is eligible for reelection as faculty trustee if the person remains a member of the faculty of Vincennes University; and

(5) is not entitled to vote as a member of the board of trustees.

(e) The term of each appointed trustee shall be for three (3) years, except that of the student appointee, who shall serve a one (1) year term. When a vacancy occurs in the membership of the board of trustees, such vacancy shall be filled by the board for the unexpired term, **except a vacancy of a faculty member that shall be filled under subsection (d).** The appropriate number of appointive trustees shall be appointed prior to the first Monday of October of each year, and that first Monday shall be the first day of their terms.

~~(e)~~ **(f)** The annual meeting of the board shall be held on the first Monday of October of each year. Special meetings may be called by

the president of the board or by any ~~four (4)~~ **five (5)** trustees.

~~(f)~~ **(g)** Six (6) trustees shall constitute a quorum at any regular or special meeting of the board.

~~(g)~~ **(h)** The trustees shall serve without compensation, except that each member is entitled to the salary per diem as provided by IC 4-10-11-2.1 and to reimbursement for travel, lodging, meals, and other expenses as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

SECTION 16. [EFFECTIVE JULY 1, 2002] (a) As used in this SECTION, "universities" refers to Indiana University, Purdue University, Ball State University, Indiana State University, Vincennes University, Ivy Tech State College, and the University of Southern Indiana.

(b) The employees of the universities who hold the rank of assistant professor or higher shall elect the initial faculty trustee members added by this act not later than March 1, 2003.

(c) Notwithstanding any provision of this act, the terms of each of the faculty members elected to the boards of trustees of the universities under this act begin July 1, 2003.

(d) This SECTION expires July 2, 2003."

(Reference is to SB 0351 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 4.

LIGGETT, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Engrossed Senate Bill 443, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

CROOKS, Chair

Report adopted.

ENGROSSED SENATE BILLS ON SECOND READING

The following bills were called down by their respective sponsors, were read a second time by title, and, there being no amendments, were ordered engrossed: Engrossed Senate Bills 202, 212, 247, 258, 271, 306, 315, 362, 373, and 404.

Engrossed Senate Bill 10

Representative Sturtz called down Engrossed Senate Bill 10 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 10-1)

Mr. Speaker: I move that Engrossed Senate Bill 10 be amended to read as follows:

Page 2, line 10, after "(d)" insert "A person is justified in using reasonable force, including deadly force, against another person if the person reasonably believes that the force is necessary to prevent or stop the other person from hijacking, attempting to hijack, or otherwise seizing or attempting to seize unlawful control of an aircraft in flight. For purposes of this subsection, an aircraft is considered to be in flight while the aircraft is:

(1) on the ground in Indiana:

(A) after the doors of the aircraft are closed for takeoff; and

(B) until the aircraft takes off;

(2) in the airspace above Indiana; or

(3) on the ground in Indiana:

(A) after the aircraft lands; and

(B) before the doors of the aircraft are opened after landing.

(e)".

Page 2, after line 20, begin a new paragraph and insert:

"(f) Notwithstanding subsection (d), a person is not justified in using force if the person:

(1) is committing, or is escaping after the commission of, a crime;

(2) provokes unlawful action by another person, with intent to cause bodily injury to the other person; or

(3) continues to combat another person after the other person withdraws from the encounter and communicates the other person's intent to stop hijacking, attempting to hijack, or otherwise seizing or attempting to seize unlawful control of an aircraft in flight."

SECTION 2. IC 35-42-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) A person who knowingly or intentionally:

(1) confines another person without the other person's consent; or

(2) removes another person, by fraud, enticement, force, or threat of force, from one (1) place to another;

commits criminal confinement. Except as provided in subsection (b), the offense of criminal confinement is a Class D felony.

However;

(b) The offense of criminal confinement defined in subsection (a) is:

(1) a Class C felony if the other person confined or removed is less than fourteen (14) years of age and is not the confining or removing person's child; and

(2) a Class B felony if it:

(A) is committed while armed with a deadly weapon; or

(B) results in serious bodily injury to another a person other than the confining or removing person; or

(C) is committed on an aircraft.

SECTION 3. IC 35-47-6-1.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.4. (a) This section does not apply to a person who is:

(1) employed by:

(A) an airport;

(B) an airline; or

(C) a law enforcement agency; and

(2) acting lawfully within the scope of the person's employment.

(b) A person who knowingly or intentionally enters an area of an airport to which access is controlled by the inspection of persons or property without submitting to the inspection commits a Class A misdemeanor.

SECTION 4. IC 35-47-6-1.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.6. (a) A person who knowingly or intentionally uses force or violence or the threat of force or violence to disrupt the operation of an aircraft commits a Class B felony.

(b) A person who knowingly or intentionally uses force or violence or the threat of force or violence to hijack an aircraft in flight commits a Class A felony.

(c) For purposes of this section, an aircraft is considered to be in flight while the aircraft is:

(1) on the ground in Indiana:

(A) after the doors of the aircraft are closed for takeoff; and

(B) until the aircraft takes off;

(2) in the airspace above Indiana; or

(3) on the ground in Indiana:

(A) after the aircraft lands; and

(B) before the doors of the aircraft are opened after landing."

(Reference is to ESB 10 as printed February 15, 2002.)

GOODIN

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 136

Representative Sturtz called down Engrossed Senate Bill 136 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 136-2)

Mr. Speaker: I move that Engrossed Senate Bill 136 be amended to read as follows:

Page 2, line 40, after "provider" insert "**for the same service**".
(Reference is to ESB 136 as printed February 15, 2002.)

STURTZ

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 222

Representative Sturtz called down Engrossed Senate Bill 222 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 222-2)

Mr. Speaker: I move that Engrossed Senate Bill 222 be amended to read as follows:

Page 3, line 4, after "executed" insert "**by a competent person**".
(Reference is to ESB 222 as printed February 15, 2002.)

FOLEY

Motion prevailed.

HOUSE MOTION
(Amendment 222-1)

Mr. Speaker: I move that Engrossed Senate Bill 222 be amended to read as follows:

Page 3, line 21, after "investment." insert "**In addition, the court may order the person to pay treble damages and reasonable attorney's fees.**".

(Reference is to ESB 222 as printed February 15, 2002.)

STURTZ

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 270

Representative Kruzan called down Engrossed Senate Bill 270 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 270-1)

Mr. Speaker: I move that Engrossed Senate Bill 270 be amended to read as follows:

Page 4, line 17, delete "(a) A" and insert "**(a) Subject to subsection (d), a**".

Page 4, between lines 30 and 31, begin a new paragraph and insert:

"(d) A person designated by the library board under subsection (a) may collect money from a person for the library only if the amount to be collected from the person is more than ten dollars (\$10).

(e) A library board may compromise claims made against the library."

(Reference is to ESB 270 as printed February 15, 2002.)

FRENZ

Motion prevailed.

HOUSE MOTION
(Amendment 270-2)

Mr. Speaker: I move that Engrossed Senate Bill 270 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-23-7.1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. **(a)** The board shall determine the days and hours the library and its subdivisions will be open for public use. ~~however, Except as provided in subsection (b),~~ the provisions of the laws governing the length of the working day, the hours of public business, and the observance of legal holidays shall be observed.

(b) The board shall provide that the library and its

subdivisions shall be open on Saturdays (other than a Saturday that is a legal holiday) during the same hours that the library is open Monday through Friday.

SECTION 2. IC 5-15-5.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) Subject to approval by the oversight committee on public records created by section 18 of this chapter, the commission shall do the following:

(1) Establish a forms management program for state government and approve the design, typography, format, logo, data sequence, form analysis, form number, and agency file specifications of each form.

(2) Establish a central state form numbering system and a central cross index filing system of all state forms, and standardize, consolidate, and eliminate, wherever possible, forms used by state government.

(3) Approve, provide, and in the manner prescribed by IC 5-22, purchase photo-ready copy for all forms.

(4) Establish a statewide records management program, prescribing the standards and procedures for record making and record keeping; however, the investigative and criminal history records of the state police department are exempted from this requirement.

(5) Coordinate utilization of all micrographics equipment in state government.

(6) Assist the Indiana department of administration in coordinating utilization of all duplicating and printing equipment in the executive and administrative branches.

(7) Advise the Indiana department of administration with respect to the purchase of all records storage equipment.

(8) Establish and operate a distribution center for the receipt, storage, and distribution of all material printed for an agency.

(9) Establish and operate a statewide archival program to be called the Indiana state archives for the permanent government records of the state, provide consultant services for archival programs, conduct surveys, and provide training for records coordinators.

(10) Establish and operate a statewide record preservation laboratory.

(11) Prepare, develop, and implement record retention schedules.

(12) Establish and operate a central records center to be called the Indiana state records center, which shall accept all records transferred to it, provide secure storage and reference service for the same, and submit written notice to the applicable agency of intended destruction of records in accordance with approved retention schedules.

(13) Demand, from any person or organization or body who has illegal possession of original state or local government records, those records, which shall be delivered to the commission.

(14) Have the authority to examine all forms and records housed or possessed by state agencies for the purpose of fulfilling the provisions of this chapter.

(15) In coordination with the data processing oversight commission created under IC 4-23-16, establish standards to ensure the preservation of adequate and permanent computerized and auxiliary automated information records of the agencies of state government.

(16) Notwithstanding IC 5-14-3-8, establish a schedule of fees for services provided to patrons of the Indiana state archives. A copying fee established under this subdivision may exceed the copying fee set forth in IC 5-14-3-8(c).

(17) The commission shall provide that the Indiana state archives shall be open to patrons on Saturdays (other than a Saturday that is a legal holiday) during the same hours that the Indiana state archives is open Monday through Friday.

(b) In implementing a forms management program, the commission shall follow procedures and forms prescribed by the federal government.

(c) Fees collected under subsection (a)(16) shall be deposited in the state archives preservation and reproduction account established by section 5.3 of this chapter."

Renumber all SECTIONS consecutively.
(Reference is to ESB 270 as printed February 15, 2002.)

MURPHY

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 482

Representative Dvorak called down Engrossed Senate Bill 482 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 482-2)

Mr. Speaker: I move that Engrossed Senate Bill 482 be amended to read as follows:

Page 2, line 27, delete "public masturbation" and insert "**fondling in the presence of a minor**".

(Reference is to ESB 482 as printed February 15, 2002.)

DVORAK

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 489

Representative Crawford called down Engrossed Senate Bill 489 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 489-3)

Mr. Speaker: I move that Engrossed Senate Bill 489 be amended to read as follows:

Page 5, line 35, strike "(4)" and insert "**(2)**".

Page 5, line 35, reset in roman "At least one(1) member must, but".

Page 5, line 35, delete "**(2)**".

Page 11, line 21, reset in roman "must".

Page 11, line 21, delete "**may**".

(Reference is to ESB 489 as printed February 15, 2002.)

PELATH

Motion failed.

HOUSE MOTION (Amendment 489-2)

Mr. Speaker: I move that Engrossed Senate Bill 489 be amended to read as follows:

Page 10, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 13. IC 16-22-8-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 39. (a) A hospital owned, operated, or managed by the corporation shall be for the benefit of the residents of the county and of every person who becomes sick, injured, or maimed within the county.

(b) A patient who is able to pay shall pay to the corporation a reasonable compensation for medicine or hospital services according to the rules prescribed by the board. The board or the board's authorized representative may exclude from the hospital a person who willfully violates the rules. The board may extend the privileges and use of the hospital, **the corporation's health care programs, and health care facilities, including nursing facilities owned or operated by the corporation**, to persons residing outside of the county on terms and conditions the board prescribes.

(c) There may not be discrimination against practitioners of any school of medicine holding unlimited licenses to practice medicine recognized in Indiana. The licensed practitioners are entitled to equal privileges in treating patients in the hospital."

Renumber all SECTIONS consecutively.

(Reference is to ESB 489 as printed February 15, 2002.)

BUELL

Motion prevailed. The bill was ordered engrossed.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 2:50 p.m. with the Speaker in the Chair.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolution 15 and the same is herewith transmitted to the House for further action.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolutions 30, 32, 33, 34, 35, 36, and 37 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL
Principal Secretary of the Senate

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 15

The Speaker handed down Senate Concurrent Resolution 15, sponsored by Representative Frenz:

A CONCURRENT RESOLUTION to honor Jane V. Tichenor in her receipt of The Glenn W. Sample Award, the highest teaching honor given by Ivy Tech, for excellence in instruction.

Whereas, Mrs. Tichenor holds a Bachelor's and Master's Degree in Education from Oakland City University and Indiana University-Southeast;

Whereas, she was awarded a Developmental Education Specialist Certification from Appalachian State and Developmental Education and Specialist from Kellogg Institute;

Whereas, Mrs. Tichenor has served the college for twenty years after beginning her tenure at Ivy Tech as an adjunct reading instructor at Madison;

Whereas, She currently serves as the Skills Advancement Chair for Ivy Tech;

Whereas, She is a firm believer in Alfred Mercier's principal that, "What we learn with pleasure we never forget;"

Whereas, She believes that education involves the development of the whole person: socially, emotionally, and academically;

Whereas, Mrs. Tichenor runs one of her courses like a business, acting as CEO of Tichenor and Associates, where each student must sign a learning contract, undergo performance reviews, and submit homework as memos;

Whereas, She created Composition Kaleidoscope, a collection of student essays and stories, and "Strive for Excellence," a writing contest she sponsors with the money she makes from speaking engagements;

Whereas, Mrs. Tichenor's creative teaching style has not only benefitted her students, but has also inspired other professionals through her published articles and conference presentations;

Whereas, She has had numerous honors including: Oakland City University Alumnus of the Year, Outstanding Service in INADE, and Who's Who Among America's College Teachers;

Whereas, She has held numerous positions such as: serving as president of the Indiana Association for Developmental Education and sat on the executive boards of the National Association for Developmental Education and the National College Learning Association; and

Whereas, Professor Tichenor's proficiency in her field, her standard of professionalism with education set her apart as an instructor who continually goes the extra mile: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the General Assembly congratulate and honor the Skills Advancement Chair for Ivy Tech, Jane V. Tichenor for her receipt of the Glenn W. Sample Award for excellence in instruction.

SECTION 2. That the Secretary of the Senate transmit copies of the Resolution to the Skills Advancement Chair for Ivy Tech, Jane V. Tichenor, President of Ivy Tech, Gerald I. Lamkin, and Dean of Academics for the Southwest Region, Dr. James D. Naas.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 22

The Speaker handed down Senate Concurrent Resolution 22, sponsored by Representative Frenz:

A CONCURRENT RESOLUTION honoring Mike Sumner for winning the National Bluegrass Banjo Championship.

Whereas, Since he began playing the banjo at 15 years of age, Mike Sumner, Petersburg, Indiana, has dreamed of being named the best banjo player in the nation;

Whereas, On September 16, 2001, Mike Sumner fulfilled this dream when he won the National Bluegrass Banjo Championship at the national competition held in Winfield, Kansas;

Whereas, Mike Sumner, who is the pastor of Petersburg Church of the Nazarene, also fulfilled another one of his goals: winning the three major banjo competitions held in the United States—the national competition, the Merle Watson Bluegrass Banjo Championship at MerleFest in Wilkesboro, North Carolina, and the RockyGrass competition in Lyons, Colorado;

Whereas, As the National Bluegrass Banjo Champion, Mike Sumner was awarded a \$3,500 OME 23 karat gold inlaid banjo, which symbolizes the fact that he is the best in the country at what he does;

Whereas, Mike Sumner is also a seven-time winner of the official Indiana Pickling and Fiddling Championship which is held in Pike County near the city of Petersburg, Indiana; and

Whereas, Accomplishments such as these deserve special recognition: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the Indiana House wishes to congratulate Mike Sumner for winning the National Bluegrass Banjo Championship.

SECTION 2. That the Secretary of the Senate shall transmit a copy of this resolution to Mike Sumner and his family.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 30

The Speaker handed down Senate Concurrent Resolution 30, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION to congratulate Alicia Wotrig for earning a 2001 Harvey Award.

Whereas, Alicia Wotrig, a senior at Penn High School and news editor of her school paper, The Pennant, has earned statewide recognition for outstanding news writing by receiving a 2001 Rowena Harvey Award;

Whereas, this prestigious award, presented by the Indiana High School Press Association, honors outstanding student achievement in newspaper, yearbook and photography;

Whereas, Alicia, a two-year staff member of The Pennant and a member of the Next Generation Page staff for the South Bend Tribune, earned this award through her contributions to her student paper;

Whereas, The judge, in granting the award, noted that Alicia's work was "straightforward, solid and clear. [She] opted for a simpler style, which makes explaining the impact easier for the reader;" and

Whereas, High quality journalism and an objective reporting of

the facts are important to our society and are skills that should be respected and fostered: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the General Assembly, on behalf of the People of the State of Indiana, does hereby congratulate Alicia Wotrig for earning a 2001 Harvey Award.

SECTION 2. That the Secretary of the Senate is hereby directed to transmit a copy of this resolution to Alicia Wotrig.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 32

The Speaker handed down Senate Concurrent Resolution 32, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION honoring Penn High School as the 2001 Champions of the Hoosier Academic Spell Bowl.

Whereas, after long hours of preparation in their pursuit of excellence and being coached by Pete DeKever, Penn High School competed against thirty other high school teams;

Whereas, in capturing the 2001 Class 1 Academic Spell Bowl State Title on November 10, 2001, Penn High School completed their performance with a perfect score of 90 points out of 90 defeating Martinsville and North Posey; and

Whereas, memory, intelligence and determination paid handsome dividends as Penn High School won its third straight Spell Bowl by a one-word margin over the competition capping its third consecutive undefeated session: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the people of Indiana are exceptionally proud of the commitment and pursuit of academic excellence by its young students.

SECTION 2. That Penn High School reflects this dedication by its victory as the 2001 champions of the Class 1 Academic Spell Bowl state title.

SECTION 3. The Secretary of the Senate is directed to transmit a copy of this resolution to Penn High School Coach Pete DeKever and to Principal Jerry Sollenne.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 33

The Speaker handed down Senate Concurrent Resolution 33, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION to congratulate the Penn High School Broadcast Journalism Department for its individual achievements for the 2001 school year.

Whereas, Penn High School has continued to record solid academic achievement in the field of broadcast journalism;

Whereas, Penn High School has won 14 State Championships in broadcast journalism since 1997;

Whereas, Penn High School won three State Championships in broadcast journalism in 2001 under the sponsorship of Jennifer Jermano;

Whereas, Penn High School won a State Championship in the School Newscast Division - the fourth State Championship for Penn in this division since 1997;

Whereas, Penn High School, led by student Michelle Werts, also won a State Championship in the Music Video Division;

Whereas, Penn High School, led by students Michelle Werts and Emily Peck, went on to win a State Championship in the Other

Telecasts Division; and

Whereas, the People of Indiana are proud of the academic achievements of its outstanding students: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That, on behalf of the People of Indiana, the Indiana General Assembly congratulates Penn High School's Department of Broadcast Journalism on winning three State Championships in the year 2001.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this resolution to Principal Jerry Sollenne and Sponsor Jennifer Jermano.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 34

The Speaker handed down Senate Concurrent Resolution 34, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION congratulating Penn High School for an outstanding performance in the 2001 Ameritech Hoosier Academic Super Bowl.

Whereas, On May 5, 2001, Penn High School competed in the statewide Ameritech Hoosier Academic Super Bowl in Indianapolis and won the state championship in Class 1 of the social studies competition for the third straight year, its fifth state title since 1996;

Whereas, Team captain, senior Michelle Werts, became the first student in the history of the Academic Super Bowl who has ever been on a state championship team for three consecutive years;

Whereas, In the Class 1 social studies division, the Penn High School team trailed by three questions midway, but made a dramatic comeback to win the state championship with a score of 21-20 over Elmhurst and Bethany Christian; and

Whereas, The social studies team coached by Peter DeKever has won five state championships since 1996: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the People of Indiana sincerely congratulate the Penn High School social studies team for their outstanding academic performance.

SECTION 2. The Secretary of the Senate is directed to transmit copies of this resolution to Coach Peter DeKever, Principal Jerry Sollenne and Michelle Werts.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 35

The Speaker handed down Senate Concurrent Resolution 35, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION to congratulate the Penn High School Wildlife Management Team on winning the 2001 Indiana Wildlife Habitat Management Career Development Contest.

Whereas, The National Future Farmers of America (FFA) holds an annual Environmental/Natural Resources Career Development competition that tests students' problem-solving and decision-making skills pertaining to various environmental and natural resources issues;

Whereas, Participants first compete on local and state levels for the privilege of representing their home state at the National FFA Convention;

Whereas, For the second consecutive year, Penn's team, led by Coach Mel Lenig, won the 2001 Indiana Wildlife Habitat Management Career Development Contest held in Columbia City,

Indiana on April 7, 2001;

Whereas, At the national contest in Alta, Wyoming, Penn High School placed a very respectable 19th out of 33 teams; and

Whereas, Team members Corey Roelke, Shiloh Dutton, Patrick Stines, and Keith Bikowski are to be commended for their fine academic achievement: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That, on behalf of the People of Indiana, the Indiana General Assembly congratulates the Penn High School Wildlife Management Team on winning the 2001 Indiana Wildlife Habitat Management Career Development Contest in Indiana and for placing 19th at the national competition.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to Principal Jerry Sollenne, Coach Mel Lenig, and students Corey Roelke, Shiloh Dutton, Patrick Stines, and Keith Bikowski.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 36

The Speaker handed down Senate Concurrent Resolution 36, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION to congratulate the Penn High School Girls Lacrosse Team on winning the 2001 Lacrosse State Championship.

Whereas, The 2000-2001 season marked just the second year for the girls lacrosse program at Penn High School;

Whereas, Penn High School, led by Coach Jeremy Brown, continued their success by winning the Girls Lacrosse State Championship for the second consecutive year;

Whereas, Competing against top-ranked teams from Indiana and surrounding states, the Lady Kingsmen's hard work and dedication was rewarded when they captured the State Lacrosse Title by defeating Park Tudor in the championship game; and

Whereas, The People of Indiana are proud of the achievements of its outstanding student athletes: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That on behalf of the People of Indiana, the Indiana General Assembly congratulates the Penn High School Girls Lacrosse Team on winning the 2001 State Championship.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this resolution to Principal Jerry Sollenne and Head Coach Jeremy Brown.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 37

The Speaker handed down Senate Concurrent Resolution 37, sponsored by Representatives Fry, Dvorak, Mangus, and Mock:

A CONCURRENT RESOLUTION to congratulate Penn High School upon winning the Class 4-A 2001 State Baseball Championship.

Whereas, The Penn High School baseball team had a record-setting victory performance over Castle High School at Victory Field in Indianapolis to capture their third championship title;

Whereas, The Penn Kingsman powerhouse won their championship game with a record 18 runs and 19 hits, defeating the Castle Knights 18-5, finishing with a 34-2 record;

Whereas, Penn High School became the first high school to

compete for championships in football, boys basketball and baseball all in the same year; and

Whereas, We commend the athletes for their hard work and dedication and the coaches for instilling a solid work ethic and positive values: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the People of Indiana and the Indiana General Assembly congratulates the Penn High School Kingsmen upon winning the Class 4-A 2001 State Baseball Championship

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution be transmitted to Superintendent Vickie Markavitch, Principal Jerry Sollenne, Head Coach Greg Dikos.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

ENGROSSED SENATE BILLS ON SECOND READING

The following bills were called down by their respective sponsors, were read a second time by title, and, there being no amendments, were ordered engrossed: Engrossed Senate Bills 50, 109, 175, 190, 233, and 260.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 178, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 9, between lines 18 and 19, begin a new paragraph and insert:

"(d) This section may not be construed to require the clerk of the circuit court to remit child support payments by electronic funds transfer."

Page 11, between lines 8 and 9, begin a new paragraph and insert:

"(d) This section may not be construed to require the clerk of the circuit court to remit child support payments by electronic funds transfer."

(Reference is to SB 178 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 216, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Engrossed Senate Bill 277, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 27-1-3-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) As used in this section, "credit information" means credit related information obtained through a review of a credit history, credit report, or credit score, or on an application for a policy of property and casualty insurance.

(b) As used in this section, "insurer" means a person that:

(1) is described in IC 27-1-2-3(x); and

(2) issues a policy of property and casualty insurance.

(c) As used in this section, "property and casualty insurance" means one (1) or more of the kinds of insurance described in Class 2 and Class 3 of IC 27-1-5-1.

(d) The department shall adopt rules under IC 4-22-2 to regulate an insurer's use of credit information in underwriting a policy of property and casualty insurance.

SECTION 2. IC 27-1-12.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The minimum values as specified in sections 4, 5, 6, 7, and 9 of this chapter of any paid-up annuity, cash surrender or death benefits available under an annuity contract shall be based upon minimum nonforfeiture amounts as defined in this section.

(b) With respect to any annuity contract providing for flexible considerations, the minimum nonforfeiture amounts at any time at or prior to the commencement of any annuity payments shall be equal to an accumulation up to such time at a rate of interest of three percent (3%) per annum of percentages of the net considerations (as hereinafter defined) paid prior to such time, decreased by the sum of:

(1) any prior withdrawals from or partial surrenders of the contract accumulated at a rate of interest of three percent (3%) per annum, and

(2) the amount of any indebtedness to the company on the contract, including interest due and accrued,

and increased by any existing additional amounts credited by the company to the contract. The net considerations for a given contract year used to define the minimum nonforfeiture amount shall be an amount not less than zero and shall be equal to the corresponding gross considerations credited to the contract during that contract year less than an annual contract charge of thirty dollars (\$30.00) and less a collection charge of one dollar and twenty-five cents (\$1.25) per consideration credited to the contract during that contract year. The percentages of net considerations shall be sixty-five percent (65%) of the net consideration for the first contract year and eighty-seven and one-half percent (87.5%) of the net considerations for the second and later contract years. Notwithstanding the provisions of the preceding sentence, the percentage shall be sixty-five percent (65%) of the portion of the total net consideration for any renewal contract year which exceeds by not more than two (2) times the sum of those portions of the net considerations in all prior contract years for which the percentage was sixty-five percent (65%).

(c) With respect to any annuity contract providing for fixed scheduled considerations, minimum nonforfeiture amounts shall be calculated on the assumption that considerations are paid annually in advance and shall be defined as for contracts with flexible considerations which are paid annually with two (2) exceptions:

(1) The portion of the net consideration for the first contract year to be accumulated shall be the sum of sixty-five percent (65%) of the net consideration for the first contract year plus twenty-two and one-half percent (22.5%) of the excess of the net consideration for the first contract year over the lesser of the net considerations for the second and third contract years.

(2) The annual contract charge shall be the lesser of (i) thirty dollars (\$30.00) or (ii) ten percent (10%) of the gross annual consideration.

(d) With respect to any annuity contract providing for a single consideration, minimum nonforfeiture amounts shall be defined as for contracts with flexible considerations except that the percentage of net consideration used to determine the minimum nonforfeiture amount shall be equal to ninety percent (90%) and the net consideration shall be the gross consideration less a contract charge of seventy-five dollars (\$75.00).

(e) Notwithstanding any other provision of this section, the

minimum nonforfeiture amount for any contract issued on or after July 1, 2002, and before July 1, 2004, shall be based on a rate of interest of one and one-half percent (1.5%) per annum."

Page 1, line 1, delete "IC 27-8-10-2.2" and insert "IC 27-8-10-2.3".

Page 1, line 3, delete "2.2." and insert "2.3".

Page 1, line 17, delete "January 1, 2003," and insert "**December 1, 2002,**".

Page 1, line 17, delete "January 30" and insert "**December 31**".

Page 2, line 1, after "year" insert ",".

Page 2, line 10, delete "IC 27-8-10- 2.1(g)" and insert "**IC 27-8-10-2.1(g)**".

Page 2, after line 14, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE UPON PASSAGE] (a) **Notwithstanding IC 27-1-3-7.5, as added by this act, the department of insurance shall carry out the duties imposed upon the department of insurance under IC 27-1-3-7.5, as added by this act, under interim written guidelines approved by the commissioner of the department of insurance.**

(b) **This SECTION expires on the earlier of the following:**

(1) **The date rules are adopted under IC 27-1-3-7.5, as added by this act.**

(2) **December 31, 2006.**

SECTION 6. **An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

(Reference is to SB 277 as reprinted February 4, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 4.

CROOKS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 412, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 5, after "assembling" insert "**new**".

Page 2, line 6, after "sells" insert "**new**".

Page 3, line 1, delete "a majority" and insert "**at least thirty percent (30%)**".

Page 4, line 10, delete "the prevailing retail" and insert "**a level higher than provided for in the agreement.**".

Page 4, delete line 11.

Page 4, line 16, delete "a majority" and insert "**at least thirty percent (30%)**".

(Reference is to SB 412 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 513, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 2.

KUZMAN, Chair

Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Referrals to Ways and Means

The Speaker announced, pursuant to House Rule 127, that Engrossed Senate Bill 333 had been referred to the Committee on Ways and Means.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed, without amendments, Engrossed House Bills 1010, 1143, and 1188 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed House Bills 1030, 1049, 1108, 1171, 1259, 1273, and 1294 with amendments and the same are herewith returned to the House for concurrence.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 35, 36, 37, 38, 39, and 40 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

HOUSE MOTION

Mr. Speaker: I move that Representative Dumezich be added as coauthor of House Bill 1116.

FRY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Ulmer be added as coauthor of House Bill 1154.

GOODIN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be added as cosponsor of Engrossed Senate Bill 20.

WELCH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three cosponsors and that Representatives Cochran and Frizzell be added as cosponsors of Engrossed Senate Bill 25.

GIA QUINTA

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Fry be removed as cosponsor of Engrossed Senate Bill 29.

STILWELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Scholer and Klinker be added as cosponsors of Engrossed Senate Bill 71.

WEINZAPFEL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Kuzman and Whetstone be added as cosponsors of Engrossed Senate Bill 412.

MAHERN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Friend, McClain, and Oxley be added as cosponsors of Engrossed Senate Bill 488.

TINCHER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three cosponsors and that Representative Welch be added as cosponsor of Engrossed Senate Bill 505.

GIA QUINTA

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

Pursuant to House Rule 60, committee meetings were announced.

On the motion of Representative Liggett the House adjourned at 3:05 p.m., this nineteenth day of February, 2002, until Thursday, February 21, 2002, at 10:00 a.m.

JOHN R. GREGG

Speaker of the House of Representatives

LEE ANN SMITH

Principal Clerk of the House of Representatives